

**FBIS**

# DAILY REPORT

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*China*

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SHIJIE ZHISHI REVIEWS SINO-U.S. RELATIONS

HK240810 Beijing SHIJIE ZHISHI in Chinese No 8, 16 Apr 84 pp 6-8

[Article by Zhuang Qubing: "Work for a Steady and Enduring Growth of Sino-U.S. Relations" -- capitalized passages in boldface]

[Text] The development of Sino-U.S. relations has become a focus of world attention nowadays. 1984 is an uncommon year in the history of Sino-U.S. relations. Premier Zhao Ziyang visited the United States from 10 to 16 January. And President Ronald Reagan is going to visit China from 26 April to 1 May. This is the first official exchange of visits between the government heads of the two countries since the establishment of diplomatic relations. It is an event of great importance. During his visit to the United States Premier Zhao Ziyang held conscientious and constructive talks with President Reagan and other senior officials of the U.S. Government in a friendly and frank atmosphere, extensively met with American people of all circles, and thus enhanced the mutual understanding and friendship between the two peoples. During his stay in San Francisco, before returning home, Premier Zhao said: "I never expected such deep feelings of the American people toward the Chinese people for such a popular desire in the United States for Sino-U.S. friendship." The Chinese people, likewise harbor deep feelings toward the American people. The Chinese people are warmly looking forward to President Reagan's arrival. They believe that his visit will certainly promote the development of friendly relations between the two countries and benefit world peace. At this moment it is significant to review the development of Sino-U.S. relations, and to look toward their future.

## Characteristics of the Development of Sino-U.S. Relations

China and the United States are situated on opposite sides of the Pacific Ocean. The development of their relations since 1972 has the following characteristics.

First, the issuing of the Shanghai communique broke the ice that separated them. Soon after **that** relations grew fairly rapidly. Politically the two countries gradually changed from being enemies to increasing contacts and finally established formal diplomatic ties. Since then relations between the two countries have been rather widely expanded. Economically, with the lifting of the trade embargo, trade between the two countries grew so quickly that the United States is now China's third largest trading partner. American businesses have begun to invest in China and the scientific and technological cooperation between the countries has likewise grown steadily. At the same time contacts between people have increased daily.

Second, there have been ups and downs in Sino-U.S. relations, which are unstable because of difficulties and obstacles. Richard Nixon's trip to Beijing in 1972, in a motion to "bury the hatchet and begin an effort for peace," marked a turning point in the relations between the two countries. Each country established a liaison office in each other's capital, and trade became brisk. However, for a variety of reasons, the United States and China failed to attain full normal relations quickly. In the absence of formal diplomatic ties it was impossible for bilateral relations to grow extensively. This went on for 7 long years. It was not until late in President Jimmy Carter's term or, more precisely, on 1 January 1979, that the two countries formally established diplomatic ties, after a long, hard negotiation. This represented an advance of great significance in Sino-U.S. relations. Afterwards, Chinese Vice Premier Deng Xiaoping and U.S. Vice President Walter Mondale, and many other senior government officials, exchanged visits.



Treaties and agreements on consular matters, trade, civil aviation, maritime transportation, science and technology, and culture were concluded. The volume of trade rose sharply and bilateral relations greatly expanded.

Yet later on relations between the two countries became tense and, for a while, even regressed, mainly because the United States adopted and insisted on implementing the "Taiwan Relations Act" and continued to sell arms to Taiwan. The joint communique of 17 August 1982 eased these tensions. However, trade talks on textiles broke down, and still other problems cropped up. In May 1983 the United States announced positive measures on the problem of technology transfers. In July the two countries reached a textile agreement. In September U.S. Defense Secretary Caspar Weinberger visited China, and Chinese Foreign Minister Wu Xueqian visited the United States the following month. All of these positive steps paved the way for Premier Zhao Ziyang's trip to the United States last January and President Reagan's forthcoming visit to Beijing. Encouraging progress has been made in the relations between the two countries over the last year.

The above brief review shows that there have been ups and downs in the development of Sino-U.S. relations. However, on the whole, relations have developed along a historical trend.

#### Historical Experience

Although China and the United States established liaison offices in 1972 after 22 years of antagonism, it took 7 years to normalize relations. This is rare in the history of world diplomacy. Thanks to the joint efforts of both countries, relations have now advanced and borne fruit. But this is a hard-earned gain. The past 30 years' history of Sino-U.S. relations offers some valuable lessons for the future.

FIRST, WHETHER CHINA AND THE UNITED STATES ARE ON GOOD TERMS HAS A GREAT BEARING ON THEIR VITAL INTERESTS AND THE ENTIRE WORLD SITUATION. The improvement in Sino-U.S. relations, for instance, has provided a more favorable international environment for China in its modernization program. And it has helped improve the U.S. position in the Asia-Pacific region and elsewhere in the world. Furthermore, the growth of Sino-U.S. relations in recent years has contributed to international peace and stability and played a positive role in promoting tranquility and economic prosperity in the Asia-Pacific region. These facts are obvious to all. However, if Sino-U.S. relations were to deteriorate or even regress, it would not be difficult to imagine the adverse effects on both countries and on the international situation.

SECOND, IT IS NECESSARY TO HANDLE RELATIONS BETWEEN THE TWO COUNTRIES IN A LONG HISTORICAL PERSPECTIVE, IN LIGHT OF THE LONG-TERM INTERESTS OF BOTH NATIONS AND THE WORLD. When Chairman Mao Zedong, Premier Zhou Enlai, and President Nixon seized the first opportunity and firmly decided to break the impasse of protracted separation and antagonism, a seemingly impossible feat at the time, they advanced the tide of world history. Their great farsightedness has won public acclamation to this day. When the two governments resolutely removed difficulties and obstacles in order to establish formal diplomatic ties, they also demonstrated the long term vision of their leaders.

THIRD, IT IS NECESSARY TO BUILD RELATIONS BETWEEN THE TWO COUNTRIES ON THE BASIS OF THE FIVE PRINCIPLES OF PEACEFUL COEXISTENCE, RESPECTING EACH OTHERS' SOVEREIGNTY AND TERRITORIAL INTEGRITY AND NOT INTERFERING IN EACH OTHER'S INTERNAL AFFAIRS. These principles were duly recognized in the three Sino-U.S. joint communiqués signed in 1972, 1978, and 1982.

Under these principles, by developing extensive contacts in politics and economics, science and culture, overcoming existing difficulties and obstacles, it is still possible to arrive at a realistic and appropriate solution to the problems remaining between the two countries, despite the complexity of the situation. In keeping with this spirit, agreement on the three joint communiques and the textile trade pact was reached only after extensive exchanges.

#### Remove Obstacles to Developing Relations

It is obvious that in order to secure the steady and sustained development of Sino-American relations, it is necessary to expand the positive aspects which are beneficial to the relations, and scale down or eliminate the negative aspects. Some people say that the difference in the political systems and ideologies of China and the United States is the major obstacle blocking the enhancement of friendly relations between the two countries. Apparently, this argument is right, but in actuality, it is wrong. China and Japan and many West European countries have done well in promoting friendly relations. Are their political systems and ideologies the same? Although there are differences between China and the United States in diplomatic strategy, especially in their respective positions and policies toward the Third World, at present there are no serious military threats or confrontation between them. Furthermore, the two countries are at different stages of economic development and can supply each other's needs. Of the many factors affecting Sino-American relations, the major one is the Taiwan issue. It undoubtedly is the main obstacle to enhancing Sino-American ties and also the major reason for the failure to attain steady development in their relations. This obstacle must, first of all, be removed. In a word, in order to develop their relations in many way, the governments and peoples of the two countries must make great efforts. Political ties and economic and cultural relations very often promote and affect each other. They can hardly be separated.

On the whole, to remove this obstacle and further develop relations between the two countries, it is particularly important to uphold the following three points.

1. CONSCIENTIOUSLY IMPLEMENT THE PRINCIPLES AND PROVISIONS LAID DOWN IN THE THREE SINO-AMERICAN JOINT COMMUNIQUE. These three joint communiques are the legal foundations which guide Sino-American relations. They embrace wide-ranging issues, but the Taiwan issue is at the center. Talking about the development of Sino-American relations, some American personages very often try to bypass the Taiwan issue. Others say that China "pays undue attention" to this issue. Still others say that the "17 August" joint communique and the U.S. "Taiwan Relations Act" are not mutually exclusive. These viewpoints, regardless of their different starting points, depart from the basic principles guiding Sino-American relations, and therefore are incorrect. In fact, since the start of Sino-American talks at the ambassadorial level in 1955 the representations made and reconciliations reached by the two countries have always been inseparable from the issue of Taiwan; nor will it be possible to sidestep this issue in future. China cannot but attach special importance to this issue because it concerns the great cause of national reunification, and involves the question of state sovereignty and internal affairs. It is appropriate to say that the entire history of China is a history of a unified country. Any act which impedes China's reunification can only hurt the feelings of the Chinese people. The "Taiwan Relations Act" is, in essence, a covert plan to create "two Chinas." It is incompatible with the spirit of the three joint communiques. The Chinese Government has time and again declared that it will strive to reunify the motherland by peaceful means. However, what means to be used in reunifying the country is purely China's own internal affair, and can in no way become subject to an international commitment imposed upon China.

After the U.S. Congress passed the "Taiwan Relations Act" people hoped that the American President would use his power of discretion, so that the principles and commitments duly acknowledged by the two nations in the three joint communiques can be implemented, especially with regard to the issue of arms sales to Taiwan. Only in this way can the differences between China and the United States be gradually narrowed and eliminated, mutual confidence created, and bilateral relations promoted.

2. EXPAND ECONOMIC, TRADE AND TECHNOLOGICAL COOPERATION BETWEEN THE TWO COUNTRIES. China and the United States are, respectively, the biggest developing and developed countries in the world. There is still great potential for expanding their economic, trade and technological cooperation. By the end of 1983 total U.S. investments in China amounted to nearly \$85 million. There were already 20 joint ventures using Chinese and American capital. Thirteen American companies have joined Chinese-foreign joint ventures for offshore oil exploration with investments of nearly \$600 million. Bilateral trade reached \$22.2 billion in the 5 years following the establishment of diplomatic relations. Last year the Reagan administration announced its decision to ease restrictions on technology transfers to China. Since then the number of items for technology export has increased. Contacts between Chinese and American banks have also increased. China relies mainly on its own efforts to carry out economic construction, but upholds its policy of opening up to the outside world. With the development of its economic construction China will gradually expand the use of foreign capital. It has hoped to enter into a larger scale of economic cooperation with the United States in such projects as building large hydroelectric stations, buying facilities from the United States for nuclear power stations, and so forth. But there are still problems which remain to be solved with regard to the expansion of economic cooperation. Although the U.S. Government has made certain efforts to rectify certain legislation discriminating against China, there are still some laws which should be amended or repealed as soon as possible. China is also adopting some new measures to amplify laws, rules, and regulations in order to expand its economic ties with foreign countries. The recently published "Patent Law" is a case in point. China and the United States have recently reached an agreement to avoid double taxation.

3. TO INCREASE CONTACTS AND EXCHANGES BETWEEN THE PEOPLES AND LEADERS OF BOTH COUNTRIES, AND TO ENHANCE MUTUAL UNDERSTANDING IN THE INTERESTS OF SAFEGUARDING WORLD PEACE. China and the United States are big nations; as such, they bear an important responsibility for maintaining world peace. China pursues an independent foreign policy and judges international events according to the circumstances of each case, free from the control of any large nations. In the meantime safeguarding world peace is always the main objective of its foreign policy. China and the United States have common ground on certain foreign policy issues, such as their attitudes toward the problems in Afghanistan and Kampuchea. They also have differences, as in some policies toward the Third World. There is no relationship of strategic cooperation [zhan lue he zuo guan xi 2069 3970 0678 0155 7070 4762] between China and the United States. Nor will China play an "equidistant role" between the United States and the Soviet Union. However, this does not prevent China and the United States from seeking common ground while reversing their differences regarding some major international issues in the interest of safeguarding world peace. Contacts between the Chinese and American people and scientific and cultural exchanges have increased considerably in recent years. Chinese students in the United States far outnumber those in other countries. The number of Americans from all fields visiting China on business or as tourists has steadily increased. The understanding and friendship among the people exert an important influence on the development of the relations between the two countries.



In the meantime, the exchange of visits between high officials of the two governments has also increased. The three presidents of the United States Nixon, Ford and Carter visited China when they were in office, or after leaving their posts. President Reagan plans to visit China soon. Chinese leaders Deng Xiaoping, Zhao Ziyang, and others visited the United States one after another. Defense Minister Zhang Aiping has also accepted an invitation to visit the United States. "Better seeing once than hearing a hundred times." The exchange of visits between state leaders has greatly enhanced mutual understanding, friendship, and cooperation between the two countries.

On the whole, Sino-American relations have expanded on a fairly wide scale in politics, economics and culture during the past 12 years. Conditions have also become favorable for further enhancing relations in the years to come. For example, after long contracts, the two countries have a better understanding of each other's national conditions and policies. The friendly feelings between the two peoples have a solid foundation. Also the international environment is favorable to the enhancement of Sino-American diplomatic relations.

Not long ago, when President Reagan talked about Sino-American relations, he said: "Our (the United States) relations with the People's Republic of China are positive, and are continuing to develop." He pointed out: "Premier Zhao Ziyang's visit last January has paved the way for enhancing exchange and cooperation in trade and various fields of science and technology." He also stressed that his trip in April would "advance goodwill and friendly spirits." In a word, seeking a stable and durable relationship is the common desire of the Chinese and American peoples. As Comrade Deng Xiaoping said, the friendly cooperation between these two countries, with a combined population of more than 1.2 billion, "is not only conducive to the development of both countries, but will also become a powerful factor for maintaining world peace and promoting the progress of humanity."

#### BEIJING REVIEW PREVIEWS REAGAN'S PRC VISIT

OW240340 Beijing BEIJING REVIEW in English No 17, 23 Apr 84 p 4

[From the "Notes From the Editor" column by Mu Youlin, International Editor: "President Reagan's China Visit"]

[Text] U.S. President Ronald Reagan, scheduled to pay a state visit to China from April 26 to May 1, will be the third incumbent head of state of the United States to visit the People's Republic, following Richard Nixon in 1972 and Gerald Ford in 1975, and the first one to come since the normalization of relations five years ago.

Although no spectacular results are expected, it is believed Reagan's visit will contribute towards further improving Sino-U.S. relations, which have remained relatively stable since Premier Zhao Ziyang's visit to the United States last January.

The people of China have always entertained friendly feelings towards the American people and their great country. They want to build closer ties of goodwill and amity with them and broaden exchanges and cooperation, which is in the interest of both peoples.

At the official level China is willing to improve relations with the United States. Chinese leaders appreciate the reiteration by Reagan and other high-ranking U.S. officials of their commitments to closer ties with China and the establishment of a relationship of trust.

While both sides are looking forward to substantial progress in their relations, there remain a few major stumbling blocks. To try to skirt them by claiming that Sino-U.S. relations have reached such a level of maturity that they can grow despite the obstacles is not a realistic approach.

The Taiwan issue remains to be the biggest problem in bilateral relations. China has repeatedly pointed out that the source of trouble lies in the "Taiwan Relations Act." Pending the eventual repeal of the act, China hopes that the U.S. Government will strictly abide by the three Sino-U.S. communiques -- which uphold the principle that there is but one China and Taiwan is part of China -- and take concrete actions to fulfill its obligations of reducing arms sales to Taiwan as well as meeting its other commitments.

To promote trade and economic and technical cooperation, more efforts have to be made to ease U.S. restrictions on high-technology transfers, revise legislation which discriminates against China, and remove the barriers against Chinese exports to the United States. China, on its part, will abide by agreements already signed and fulfill its own commitments.

Two documents -- one on cultural exchange and the other on avoidance of double taxation -- are coming up for conclusion during Reagan's visit. It is hoped that Reagan will take bolder steps to help bring about substantial results in other fields as well.

On the international scene China is concerned about Israel's aggression in the Middle East and the latest developments in Central America. On both issues China is critical of the U.S. position.

With regard to the situation on the Korean peninsula, China's position is clear: It is squarely behind the proposal of the Democratic People's Republic of Korea for tripartite talks to seek a peaceful and independent reunification of Korea in the form of a confederation, free from outside interference. China believes this is the surest way to reduce tension on the peninsula.

The primary concern of China in the international realm is the preservation of world peace and security. The best way to achieve this, as the Chinese see it, is to stem hegemonism and respect all countries' legitimate right to settle their own problems.

China will, in all probability, renew its strong appeal for the two superpowers to take the lead in ending their nuclear arms race by agreeing to stop producing, testing and improving nuclear weapons and to halve their present nuclear arsenals.

Reagan's visit will be a significant event in Sino-U.S. relations. But how great the impact will be depends on how determined the U.S. President is in translating his commitments into reality. In this sense, Reagan still has an excellent opportunity to surpass his predecessors -- Nixon, who blazed the trail for normalization, and Jimmy Carter, who brought the normalization process to consummation. Reagan can rest assured that he will receive an enthusiastic welcome in China befitting a U.S. president on a reciprocal visit. As for the friendship and goodwill between the peoples of China and the United States, these will certainly continue to grow and flourish.



FURTHER ON REAGAN'S ACTIVITIES DURING PRC VISIT

## Great Hall Activities

OW240249 Beijing XINHUA in English 0237 GMT 24 Apr 84

["Great Hall of the People -- Center for President Reagan's Beijing Visit" -- XINHUA headline]

[Text] Beijing, April 24 (XINHUA) -- Most of President Reagan's important activities during his visit to Beijing later this month will take place at the Great Hall of the People. Situated on the west side of Tiananmen Square in the center of Beijing, the Great Hall of the People is where Chinese party and state leaders meet foreign guests and where the National People's Congress, China's highest legislative body, meets annually.

According to the Foreign Ministry, President Reagan will be accorded a 21-gun salute and a red carpet welcome on a plaza outside the east gate of the hall. His meeting with Chinese leaders and Mrs Reagan's meeting with Chinese women leaders will take place in the Great Hall.

Built in 1959 to mark the tenth anniversary of the People's Republic, the Great Hall has a floor space of 171,800 square meters. It is composed of over 40 rooms and lounges, of which 30 are named after China's 30 provinces, municipalities and autonomous regions, including Taiwan, and decorated in local styles. In front of a reception room in the southern part of the Great Hall stands a large screen, a fine work of art from East China's Anhui Province, featuring a wrought iron pine tree whose branches stretch forward like hands welcoming guests. Other works of art include 25 concentric ivory spheres carved as a single piece in the Guangdong Room, a huge round marble screen on a red wood seat with peacock designs in front of the Yunnan Room, a 2.2-ton crystal glass carving on a stainless steel mount in the Liaoning Room and the famous Hunan embroidery in the Hunan Room. The Great Hall is 336 meters from north to south and 174 meters from east to west. Its tallest point is 46.5 meters high. It has a grand auditorium seating 10,000 in the center and a banqueting hall on the second floor big enough to accommodate 5,000 for a reception.

The Chinese Government will host a welcoming banquet for President and Mrs Reagan and their party in the banqueting hall, and President Reagan will give a short speech in a small auditorium seating 600 on the third floor.

The Great Hall of the People is open to visitors.

## To Visit Xian

OW230702 Beijing XINHUA in English 0646 GMT 23 Apr 84

[Text] Xian, April 23 (XINHUA) -- U.S. President Ronald Reagan is scheduled to make a trip to Xian, an ancient Chinese capital in the northwest, during his six-day visit to China. Xian is a 3,000-year-old city with excavations of worldwide historic significance, said President Reagan, explaining his choice of the city as a place to visit, in an interview with Chinese journalists in Washington last week. The excavations are usually referred to as the museum of Emperor Qin Shi Huang's buried statuary legion and other important finds.

The museum, some 30 kilometers east of Xian, displays hundreds of lifesize terracotta horses and armored warriors. Many foreign visitors have described it as yet another wonder of the world. President Reagan said in the same interview that he had glanced at some pictures and materials concerning the excavation. Now he wanted to see the excavation on the spot.

Xian became a capital in 1126 BC. Eleven dynasties made the city their capital for 1,100 years. Xian started its contacts with foreign countries as early as the Han Dynasty (206 BC-AD 220). The world-famous Silk Road began in Changan, as Xian was then called. In the Tang Dynasty (618-907) Xian became more prosperous, with closer ties with central and western Asia and Europe. Foreign diplomatic envoys, students, priests and merchants frequented Xian in that period. Xian is known as a "natural museum of Chinese history" because of its abundant historical relics. The famous Banpo village, a 6,000-year-old neolithic site, has been turned into an on-site museum. The 64-meter-high Dayan (greater wild goose) Pagoda was built in 652, during the Tang Dynasty. This square wood-and-brick structure is a masterpiece of Buddhist architecture. The "forest of tablets" in the Shaanxi provincial museum is the oldest and best collection of stone engravings in China, with more than 1,700 inscribed tablets mainly recording historical events. Tombs of many Han and Tang Dynasty emperors and princes are well protected in the northern suburbs. A few have been excavated.

Xian, now capital of Shaanxi Province, has a population of 5.2 million. It is the largest economic center in China's northwest. The textile industry is concentrated in the eastern part of the city, and west Xian is a base of electrical engineering. The southern suburbs are the cultural and educational center, while the northern suburbs are a protected area of ancient palaces and tombs. Under a comprehensive plan for the city's development, Xian is to be turned into an attractive and clean modern city with the aspect of an ancient metropolis.

#### Stopover in Shanghai

OW240747 Beijing XINHUA in English 0724 GMT 24 Apr 84

["Shanghai -- Important Industrial, Commercial City in China" -- XINHUA headline]

[Text] Shanghai, April 24 (XINHUA) -- Shanghai, the city U.S. President Ronald Reagan is to visit at the end of this month, is perhaps the most important industrial and commercial city in China. This world-famous metropolis and port situated on the fertile Yangtze River delta has a population of 11.8 million. With its comprehensive industrial base, the city has made enormous contributions to China's economy, science, technology and foreign trade during the past three decades.

Shanghai's annual industrial output accounts for about one-eighth of the nation's total. In 1983, it reached 67.9 billion yuan (about 34 billion U.S. dollars), 6.6 percent higher than the previous year and nearly 30 times that of 1949, the year of the city's liberation. It produces one-third of the country's radios and watches, one-fifth of the bicycles and sewing machines, half of the cameras and a quarter of the television sets.

An important iron and steel center, Shanghai produced 5.1 million tons of steel in 1983. The Baoshan Iron and Steel Company going up on the city's outskirts is expected to produce three million tons of steel upon completion of the first stage of construction in September 1985. When the second stage of construction is completed in 1990, production will rise to 6.7 million tons of steel annually. The Shanghai petrochemical complex built in 1979 now produces 100,000 tons of synthetic fiber a year, about 20 percent of the total production of China. Shanghai has nine shipyards, a dozen marine engine and equipment plants as well as ship design and research institutions. The city does about 50 percent of China's shipbuilding. Shanghai has been building ships for foreign companies since 1980, receiving orders for fifty vessels totaling 500,000 tons in deadweight. New industries covering electronics, instruments and meter, infrared and laser technology have grown so rapidly that Shanghai is now producing complete sets of electronic instruments and smaller computers.

The city is trying in every way to import advanced technology and equipment and speed up its technical advance. It also seeks to strengthen economic and technical cooperation with other cities and provinces by way of joint development of resources, joint venture, transfer of scientific and technical information and personnel training. Over the past thirty years, the marine transport capacity of this important hub of communications has increased considerably, 38 times for coastal shipping and 36 times for ocean-going freight. Yangtze River shipping capacity has gone up 13 times. Shanghai Harbor's handling capacity last year was 91.9 million tons, 4.3 percent over 1982. Two trunk railway lines and 29 civil air services link China with the rest of the country, while international air services operated by CAAC and several foreign airlines connect the city with other parts of the world. Shanghai has more than 700 institutes of natural and social sciences with a total staff of 370,000. There are institutions of higher learning and some 1,000 middle and technical schools. About one million workers attend spare-time study schools. The city's attracted 440,000 overseas visitors last year, an increase of 30 percent over 1982.

Five countries including the U.S. have consulates-general in Shanghai, which also has official ties of friendship with nine cities in seven countries, including San Francisco.

#### PREVIEW OF MRS REAGAN'S ACTIVITIES DURING TRIP

##### To Attend Tea Party

OW210842 Beijing XINHUA in English 0815 GMT 21 Apr 84

[Text] Beijing, April 21 (XINHUA) -- Mrs Nancy Reagan will meet a group of Chinese women in various occupations at a tea party given by the All-China Women's Federation during her first visit to China with President Reagan later this month. During the 45-minute meeting, the group will brief Mrs Reagan on the federation and Chinese women's daily and social life.

The women's federation aims at protecting the interests and rights of women and children, bringing up children healthily and giving full play to the role of women in the development of socialism. The federation also helps draft and implement the state Constitution, policies and laws. It maintains extensive contacts with women's organizations round the world.

Soong Ching Ling, the late honorary president of the People's Republic of China; Deng Yingchao, widow of the late premier, Zhou Enlai; Cai Chang and He Xiangning were all leaders of the Chinese women's movement and served as presidents or honorary presidents of the federation.

The social position of Chinese women has changed remarkably since the founding of the People's Republic in 1949. In old China, women were kept at the bottom of society and some had not even their own names. Now things are different. Hao Jianxiu, a poor girl in old China, rose after 1949 from a textile worker to become minister of textiles and then an alternate member of the Communist Party Central Committee Secretariat.

China now has about 40.93 million women employees, making up 36.2 percent of the country's work force. The women's federation assists government departments in setting up kindergartens and nurseries to lighten burdens on women workers. In the capital, a housework service company has been set up to provide full-time, part-time, or single services like baby-sitting, sick care, care of women on maternity leave, shopping and cooking. The company is still in the initial stages, and its services are still limited, but women welcome such efforts to free them from household chores.

In China, no encroachment on women's freedom is allowed, and children's duty to support their parents has been stipulated in the marriage law. The women's federation and other national organizations as well as judicial departments have sponsored a publicity campaign for the protection of the rights and interests of women and children. In many Chinese cities, free legal advisory services are provided to answer women's queries.

#### To Visit Zoo

OW220246 Beijing XINHUA in English 0221 GMT 22 Apr 84

[Excerpts] Beijing, April 22 (XINHUA) -- Mrs Nancy Reagan, the first lady of the United States, is expected to see the giant pandas at the Beijing Zoo during her visit to China later this month. Covering an area of 56 hectares, the zoo, just west of the old city proper, is the biggest in China. Its grounds were an imperial manor in the Ming Dynasty (1368-1644). The zoo was first opened in 1908. When Beijing was liberated in 1949, the zoo had been so neglected and ruined that only 13 monkeys, three parrots and an old emu were found. Twenty-eight buildings and enclosures have been put up since then, giving consideration to the natural habits and peculiar idiosyncrasies of the occupants. There are artificial hills, caged forests, ponds, heated houses and playgrounds for "sports-minded" animals.

Among the gifts from more than 20 countries on display are musk-oxen from former U.S. President Richard Nixon and the American people, Japanese serow presented by former Japanese Prime Minister Kakuei Tanaka, manatees from Mexico, rhinoceroses from Nepal and gorillas from Spain. Some of them have already produced young.

Every day the zoo receives endless streams of visitors, the record being 370,000. A ticket costs ten fen (five U.S. cents). Entry is free on public holidays and to school children every Wednesday. 150,000 students visited the zoo in 1983. In the west of the zoo is a hall for the dissemination of scientific knowledge about animals which gives free lectures and film shows for school children.



PRC FRIENDSHIP OFFICIAL VIEWS SINO-U.S. EXCHANGES

HK240752 Beijing ZHONGGUO XINWEN SHE in Chinese 0147 GMT 24 Apr 84

["People-to-People Exchanges Between China and the United States Are Increasing by the Day" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 24 Apr (ZHONGGUO XINWEN SHE) -- On the eve of U.S. President Reagan's visit to China Liu Gengyin, vice president of the Chinese People's Association for Friendship With Foreign Countries, gave an interview to a ZHONGGUO XINWEN SHE reporter. In the interview, he said that the Chinese People's Association for Friendship With Foreign Countries will receive some 600 American friends this year, an all-time high in history. The United States stands second to Japan in carrying out people-to-people exchanges with China.

Liu Gengyin said that in the history of Sino-U.S. relations, this year is worth commemorating: 200 years ago an American merchant ship, the Empress of China, sailed to China for the first time, opening a chapter in the history of Sino-U.S. navigation; this year is the fifth anniversary of the establishment of Sino-U.S. diplomatic relations; and this year is the 10th anniversary of the founding of the China-U.S. Friendship Association. Since the establishment of Sino-U.S. diplomatic relations in 1979, exchanges between the peoples of the two countries have been expanding by the day. The number of friendship organizations in the United States which have connections with the Chinese People's Association for Friendship With Foreign Countries has increased to about 15. Presently China and the United States have established 22 pairs of friendship cities and friendship provinces or states, and there will be more such cities and provinces or states this year.

Liu Gengyin said that many old friends like Snow, Strong, and Smedley had made important contributions to promoting friendship between the Chinese and American peoples. Now many young people in the United States are making new contributions to such friendship. During his visit to the United States in January this year Premier Zhao Ziyang went to the Sidwell Friends School in Washington and met the teachers and students of the Chinese language class. He invited them to visit China. The Chinese People's Association for Friendship With Foreign Countries is ready to receive 27 teachers and students in late June this year. They will visit seven cities in China and spend their 20 days in China with Chinese friends about the same age.

Liu Gengyin said that people-to-people exchanges between China and the United States are not only expanding daily but have risen to various strata in the United States. For example, in one U.S. friendship delegation, which has just concluded its visit to China, there were distinguished personages who have withdrawn from political circles, lawyers, doctors, nurses, and housewives. At the invitation of the friendship delegation, the Chinese People's Association for Friendship With Foreign Countries organized a delegation composed of personages from various circles to visit the United States last November. Such people-to-people exchanges will continue to expand. This autumn the association will send arts and crafts delegations to four countries including the United States.

Liu Gengyin concluded that following President Reagan's visit to China the profound friendship between the peoples of the two countries will develop further. The friendship seeds sown by the people of this generation will bear fruit both in China and the United States.



PRC-U.S. EDUCATIONAL EXCHANGES GROWING

OW231150 Beijing XINHUA in English 1133 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- Educational exchanges between China and the United States have grown steadily since they established diplomatic relations over five years ago, according to the Chinese Ministry of Education. The ministry sent the first group of 52 visiting scholars to the U.S. on December 26, 1978, ten days after the communique announcing the normalization of Sino-U.S. relations. China has since sent 8,900 government-financed students to the United States, 3,600 of whom have graduated and returned. Most of the remaining 5,300 are visiting scholars and postgraduates. Another 4,000 Chinese students are studying in the U.S. at their own expense. Li Tao, director of the Foreign Affairs Bureau of the Education Ministry, said that the exchanges benefited both countries in developing education and science and promoted mutual understanding and friendship between the two peoples.

Three thousand five hundred U.S. students have come to study in China since 1979. Among them are visiting scholars and postgraduates for 1-3 year courses and students taking Chinese language courses lasting from four weeks to half a year.

During his visit to the U.S. earlier this year, Premier Zhao Ziyang said China hoped more American students would come. Chinese universities and colleges are trying to create conditions in which more students from abroad can be accommodated.

Most of the Chinese students who have gone to the U.S. in recent years have majored in science, engineering, medicine and agriculture. Only a small number have specialized in literature, history and social sciences. In the future, Li Tao said, China would mainly send visiting scholars and postgraduates for doctoral degrees to the U.S. and pay attention to the balance among various disciplines.

Most U.S. students in China study the Chinese language, literature and history. A small number major in law, economics, mathematics and philosophy. Short-term classes are mainly in the Chinese language.

Li Tao, who has headed two delegations to visit Chinese students in the United States, expressed gratitude to U.S. university authorities, professors and scholars for helping them. Chinese students, he said, had built a bridge of friendship linking the two peoples and many had been very successful in their studies. A Beijing University faculty member said the 29 U.S. students there were diligent students, particularly postgraduates sent by the U.S. Committee on Scholarly Communications With the People's Republic of China. Since 1979 China has invited hundreds of U.S. experts, most of them teachers of English, to lecture for one or two years in colleges. Thousands of scholars have also come to give short-term courses in mathematics, physics, biology and earth conservation. Like the experts from other countries, Li Tao said, those from the U.S. had played a useful part in training linguists, introducing latest scientific developments in the world and helping China establish new disciplines of study.

China has, over the past few years, sent 70 to 80 experts each year to the U.S. to teach Chinese, literature and history. About 100 U.S. universities have regular exchange programs with their Chinese counterparts to carry out joint research projects. Johns Hopkins University and Nanjing University are jointly starting a Sino-U.S. culture center in Nanjing. Construction is scheduled to begin on September 1 this year and Chinese and U.S. students will be enrolled when the center is completed.

WANG YAOTING VIEWS SINO-U.S. TRADE RELATIONS

OW240730 Beijing XINHUA in English 0650 GMT 24 Apr 84

[Text] Beijing, April 24 (XINHUA) -- Trade volume between China and the United States totaled 22.2 billion U.S. dollars during the five years since diplomatic relations were established in 1979, according to Wang Yaoting, chairman of the China Council for the Promotion of International Trade (CCPIT). In an interview with XINHUA, on the eve of U.S. President Ronald Reagan's arrival here on April 26, Wang said that Premier Zhao Ziyang's visit to the U.S. in January and the coming visit of President Reagan to China would surely create very good conditions for promoting Sino-U.S. economic relations and trade. Despite many disputes about trade and economic cooperation between the two countries, two-way volume still reached 4.4 billion U.S. dollars last year and the United States remained China's third biggest trading partner, he said.

Since China and the U.S. are the world's biggest developing and developed countries, economic cooperation and trade between the two are mutually beneficial and needed by both. "There is great potential for economic, trade and technical cooperation," Wang remarked. "To tap this, more exchanges, more cooperation and more understanding are necessary." Wang Yaoting said he wished the two countries would take more realistic measures to expand cooperation. The China Council and its U.S. counterpart, the National Council for U.S.-China Trade, both non-governmental organizations, have played an active role in promoting Sino-U.S. trade, economic and technical cooperation as well as exchange visits, he added.

In recent years, U.S. trade delegations received by CCPIT included a special trade representative of the U.S. President, and trade delegations from state governments and business firms. They explored channels to develop Sino-U.S. trade and had wide ranging discussions on joint ventures, co-production and transfer of technology. These meetings have strengthened mutual understanding and helped in getting contracts signed. The China Council and the National Council have also hosted reciprocal exhibitions. U.S. companies have held technical seminars in China introducing new technology and products, and this has helped create new business opportunities for those companies, Wang said. Last year's total trade figure of 4.4 billion U.S. dollars was 20 percent lower than the 5.5 billion dollars registered in the peak year of 1981. Bilateral trade and economic cooperation on the basis of equality and mutual need have developed to some extent but it is still far from enough, Wang said.

China has decided to retool 400,000 industrial enterprises and much of it will be done using foreign investment and introducing technology from other countries.

China also has a big home market and a great capacity for taking in new technologies and products. These factors attract foreign investment and also help development of cooperation between China and other countries including the U.S.

During his visit to China in March, U.S. secretary of the treasury, Donald Regan, said the United States, like other industrialized nations, was willing to invest in China. China is a huge market with great potential, he said, and many business people would like to be in this market.

Wang said that although China and the United States have different social systems, trade and economic cooperation can still move forward if only they strengthen consultation and deepen mutual understanding on the principles of mutual respect, equality and mutual benefit, particularly during President Reagan's coming visit to China.

#### CHEN MUHUA ON SINO-U.S. ECONOMIC RELATIONS

OW240421 Beijing BEIJING REVIEW in English No 17, 23 Apr 84 pp 16-17

[Article by Chen Muhua, state councillor and minister of foreign economic relations and trade: "Prospects for Sino-U.S. Economic Relations"]

[Text] The normalization of Sino-U.S. relations five years ago created favourable conditions for the further growth of economic relations and trade between the two countries. In the past five years, Sino-U.S. relations have undergone twists and turns; the bilateral economic relations and trade have also traversed a tortuous course. Experience during this period has proved that if economic relations and trade are to constantly grow, both sides should follow the principles of mutual respect, equality, mutual benefit and helping to supply each other's needs. Although trade, economic and technical cooperation between China and the United States have developed considerably, they have not reached the level that they should be at, and the great potential for developing economic and technical cooperation has not been fully tapped. Therefore, it is the common task of the two countries to vigorously open up broad prospects for economic and technical cooperation and trade exchange.

I think there are favourable conditions for the development of bilateral cooperation.

First, mutual understanding has deepened, thanks to the joint efforts of both countries in the past five years, and a fairly solid foundation for development has been laid. Commodity trade has shifted from farm produce, forestry products and raw materials to industrial and technological products. In particular, imports of technology and equipment have risen. Between 1979 and 1982, the volume of trade grew at an annual average rate of 45 percent. The United States has become China's third major trade partner. The areas of economic and technological cooperation have expanded from light industry and tourism to include energy, electronics, telecommunications and metallurgy. The number of joint ventures using Chinese and U.S. investment has increased. Following the adoption of the policy of encouraging foreign investment in China, a U.S. company is operating a wholly owned enterprise here, the first in China outside the special economic zones.

Second, China's policy of opening to the outside world has attracted more and more foreign companies, including some from the United States, to cooperate with China.

To attract foreign investments, the Chinese Government recently decided to expand the scope of the Xiamen Special Economic Zone and selected certain coastal cities in which special policies are adopted. China has in recent years promulgated some laws and regulations aimed at ensuring economic and technical cooperation with foreign countries. These have been warmly received by entrepreneurs who sincerely wish to cooperate with us. It has also enhanced the confidence of U.S. businessmen who have been seeking opportunities to cooperate with us. Not long ago, China promulgated its patent law, a positive step towards absorbing advanced foreign technologies. This move will undoubtedly give a fillip to technological exchanges and bring more opportunities for cooperation between China and the United States.

Third, bilateral economic and trade laws and regulations are being perfected. In January this year, the Accord on Industrial and Technological Cooperation Between the People's Republic of China and the United States of America was signed. Not long ago, the Agreement on Mutual Exemption of Dual Taxation and Prevention of Tax Evasion was initialled. In addition, both sides have discussed an agreement on energy cooperation and an agreement on the protection of investments. It is expected that these agreements will be signed. These agreements have won strong support among industrial and commercial circles in both countries and fully show the good wishes of both sides for cooperation.

Fourth, both sides need to develop trade and to cooperate with each other. The United States has a strong economic and technical force, while China, a large developing country, has a great market potential and is engaging in the four modernizations. The United States can find a technical, financial and commodity market in China. While China's growing amount of consumer goods, manufactured products and raw materials can meet the needs of the U.S. market.

I repeat: The conditions and environment for developing various forms of economic and technical cooperation are favourable and the potentials great, but whether this possibility can become a reality will depend on fruitful work by both sides. China and the United States have different social systems, but this should not necessarily constitute an obstacle to cooperate and trade. There are undeniably many obstacles and difficulties in our bilateral cooperation and trade and fundamentally they arise from the fact that the United States has delayed changing its economic policy of restrictions on trade with China, which are incompatible with the times and thus greatly hampering the progress of U.S. cooperation with China. But I am convinced that all obstacles and difficulties can be overcome as long as we proceed from the fundamental interests of China and the United States.

I shall head a Chinese delegation to attend the second session of the Sino-U.S. Joint Commission of Commerce and Trade and pay an official visit to the United States next month. I look forward to meeting U.S. Government officials and distinguished figures in industrial and commercial circles and discussing with them matters concerning the further expansion of economic and technical cooperation and trade relations. I also hope that political relations between the two countries will constantly improve, thereby creating a favourable atmosphere for the growth of economic relations.



DPRK AMITY OFFICIAL PREVIEWS HU YAOBANG VISIT

OW231924 Beijing XINHUA in English 1636 GMT 23 Apr 84

[Text] Pyongyang, April 23 (XINHUA correspondents Li Tu, Gao Haorong) -- O Mun-han, vice-chairman of the Korea-China Friendship Association, said here today that the upcoming Korea visit by Chinese Communist Party General Secretary Hu Yaobang will be "a cardinal event which will turn a new page in the annals of friendship of the two countries." O, in an interview with the Chinese reporters here, said that Korea and China are close neighbors linked by mountains and rivers and the two peoples are comrades-in-arms and brothers who have shared weal and woe in their protracted struggles against their common enemies and for the realization of their common ideals.

In the past few years, he noted, the exchange of visits between leaders of the two countries has further developed the friendship between the two peoples, laying, therefore, an unshakable foundation for its continuation generation after generation.

"Today the flowers of friendship are blooming more luxuriantly than ever before in the political, economic and cultural fields and the two peoples are lending hands to each other like brothers in their endeavors to build a new society," he noted.

He added that the fact that Hu Yaobang is re-visiting Korea at a time when Korea-China friendship is growing daily "will demonstrate to the world the great friendship and militant solidarity between the two peoples." It will also greatly encourage the Korean people to fulfill their Second Seven-Year Plan and realize their cause of peaceful reunification of the fatherland.

He said that through General Secretary Hu's visit the Korean people will further understand better the present situation in China and learn more about China's achievements in its socialist modernization drive.

Referring to the preparations in the Korean capital for Hu Yaobang's visit, O told reporters that Pyongyang people are busy reconstructing the Korea-China Friendship Tower so as to have the project completed ahead of schedule.

DPRK PROPOSES KOREA SPORTS TALKS MEETING

OW201106 Beijing XINHUA in English 1041 GMT 20 Apr 84

[Text] Pyongyang, April 20 (XINHUA) -- The Korean Olympic Committee Chairman Kim Yu-sun proposed a second meeting for the North-South sports talks to form a joint Korean team for the 23rd Olympics, according to a Radio Pyongyang broadcast today. Kim's proposal was raised in a letter to his South Korean counterpart Chong Chu-yong, delivered to the South side this morning at Panmunjom by two liaison officials from the North, the radio said. Kim's letter said that, in his letter dated April 17, Chong Chu-yong "dwelled at great lengths to defend himself over the evident facts and that could not but be considered as an admission over his mistakes." Kim wished that the North-South sports talks would be continued and that a second meeting be held at 10:00 hours a.m. on April 26 at Panmunjom, the radio said.

DPRK PROTESTS AMERICAN 'VIOLATION' OF AIRSPACE

OW240755 Beijing XINHUA in English 0709 GMT 24 Apr 84

[Text] Pyongyang, April 24 (XINHUA) -- A strong protest against the American violation of Korea's airspace was lodged with the American side yesterday, by Major General Yi Tae-ho, senior member of the Korean-Chinese side to the Korean Military Armistice Commission, according to the KOREAN CENTRAL NEWS AGENCY (KCNA).



KCNA said that on the afternoon of April 23, a U.S. SR-71, high-speed, high-altitude reconnaissance plane intruded into the airspace over the Korean territorial waters of eastern part of Kosong County and of Sonbong County, North Hamgyong Province for espionage purposes.

Yi Tae-ho said that such espionage intrusion, which have amounted to 15 times since April, was a violation of the armistice agreement of Korea and Korea's sovereignty. He demanded that the U.S. should take responsible measures to prevent the recurrence of similar incidents.

DPRK ATTACHE HOLDS PRESS CONFERENCE IN BEIJING

OW230943 Beijing XINHUA in English 0909 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- Chong To-chol, military, naval and air attache of the Embassy of the Democratic People's Republic of Korea, gave a press conference here today on the occasion of the 52nd anniversary of the founding of the Korean People's Army. Chong To-chol reviewed the brilliant fighting course the army had taken during the war against Japanese invasion and the liberation war under the leadership of Comrade Kim Il-song. He briefed reporters on the tremendous achievements won by the Korean People's Army in its modernization and in the country's socialist construction. Chong To-chol said: "It is the most important revolutionary task for the Korean people to realize the reunification of the fatherland. The Korean Government and people will continue their efforts to realize the reunification of their fatherland on the basis of the principles of independence, peace and national solidarity."

PRC SPORTS OFFICIAL ON EXCHANGES WITH S. KOREA

SK230257 Seoul YONHAP in English 0236 GMT 23 Apr 84

[Text] Singapore, April 23 (YONHAP) -- A ranking Chinese sports official said Saturday that there are no restrictions on sports exchanges between China and South Korea "as far as official international sports events are involved." He said, however, "it is still premature to have goodwill games."

In an exclusive interview with the YONHAP NEWS AGENCY, General Secretary of the Chinese Football Association Zhen Chengda also said he expects China will participate in the 1986 Asian Games and 1988 Olympic Games both scheduled for Seoul.

Zheng, who is an Executive Committee member of the Asian Football Confederation (AFC) and is chairing the organizing committee of Asia's final qualifying round for the Los Angeles Olympic now underway here, said China and South Korea will be able to play against each other without any restriction in soccer games connected with official international events such as the Asian and world soccer championships, as well as the Asian and Olympic Games.

"There are no obstacles in the way of the South Korean team's visit to China and vice versa for such events," Zheng said.

The South Korean tennis team's visit to China for Davis Cup preliminary matches and the Chinese junior basketball team's participation the Eighth Asian Junior Basketball Championships held in Seoul were in accordance with that principle, he added.

Zheng said South Korea will be able to take part in the 1985 world youth soccer championship to be held in Beijing. However, he said, it is still difficult for South Korea to participate in "goodwill games" in China.

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When asked whether China will participate in Korea's President's Cup international soccer championship to be held in May if invited, Zheng said it would be impossible because the tournament is not an international event with an official title. "It is still premature for China and South Korea to have goodwill games," he said.

Zheng also said it is difficult for China to invite South Korea to its June 17-30 Great Wall international soccer championship. North Korea, which has been punished by the AFC for its violence during the New Delhi Asian Games, will not be invited, he said.

Saying that it is his first interview with a South Korean journalist, Zheng further said he is aware of South Korea's preparations for the 1986 Asian Games and 1988 Olympic Games. "I think China will participate in the two events."

#### PRC TO INVITE S. KOREA TO BASKETBALL MEET

SK210421 Seoul YONHAP in English 0411 GMT 21 Apr 84

[Text] Seoul, April 21 (YONHAP) -- President of the Chinese Basketball Association Mou Zouyun Saturday said that China will certainly invite South Korea to the Ninth Asian Women's Basketball Championship scheduled for Shanghai, China, in October.

Mou told reporters at Kimpo International Airport before leaving Seoul that China will faithfully comply with rules of the International Amateur Basketball Federation during the Shanghai championship. China will hoist flags of all participating countries including South Korea and play their national anthems during the competition according to the rules, Mou, who concurrently serves as senior vice president of the Asian Basketball Confederation (ABC), said.

He expressed his thanks for the hospitality extended by ABC President Yi Pyong-hui and Korean organizers during the 13-day Eighth Asian Junior Basketball Championships held here. The Seoul basketball competition was a success thanks to Korean organizers' efforts, he added.

He stressed that China will attend all international sports events to be held here if possible.

Sports exchanges between China and South Korea will develop further to include other sports, he said.

Mou was the first high-ranking Chinese sports official to visit Seoul which has no diplomatic relations with Beijing. Mou flew into Seoul April 12 to attend the ABC Executive Committee meeting here.

#### QIAN QICHEN ON PRC-USSR TIES, KOREA, REAGAN VISIT

OW201437 Tokyo NHK Television Network in Japanese 1224 GMT 20 Apr 84

[Interview with Qian Qichen, Chinese vice foreign minister and head of the PRC delegation to the meeting of the UN Economic and Social Commission for Asia and the Pacific in Tokyo, conducted by NHK foreign news department reporter Inoue at the Chinese Embassy in Tokyo -- recorded; date not indicated; interview in Mandarin with Japanese subtitles, with the translation from the Mandarin]

[Text] [Inoue] What are the major issues and differences between you and the Soviet Union today? What progress can be made in the normalization of relations between the two countries in the future?

[Qian] We think that China and the Soviet Union, as two neighboring powers, should establish a good-neighborly relationship in accordance with the five principles of peaceful coexistence. Therefore, the main item on the agenda of Sino-Soviet consultations is to discuss how to attain this goal by removing obstacles. To our regret, the Soviet side is evading the question of removal of obstacles. For this reason, serious differences still exist between the two sides on the question of how the two countries can truly normalize their relations. In recent years, the two countries have promoted their economic relations and trade and increased the exchange of personnel visits, and this trend will continue. A time and place for a meeting between the foreign ministers of the two countries has not yet been decided, and remain to be discussed.

[Inoue] Do you have plans to elevate the present consultations from the vice ministerial level to the ministerial level?

[Qian] We have not yet discussed this question.

[Inoue] Then the present relations will not be restored to the closeness of the 1950's, will they?

[Qian] I don't think they will at present, nor will they in the future.

[Inoue] As U.S. President Reagan will visit China, what does China think of the United States politically and economically?

[Qian] President Reagan will visit Beijing soon. We hope that President Reagan's visit to China will promote understanding between the two countries, that summit talks between the two countries will help stabilize and develop the relations between the two countries.

[Inoue] As China has begun sports exchanges with South Korea, what are China's views on the situation on the Korean peninsula?

[Qian] I want to point out that South Korean athletes have gone to China and Chinese athletes have gone to Seoul to participate in international tournaments in accordance with the regulations of international organizations. Therefore, these activities are not bilateral exchanges between us and South Korea. China has not changed its principled stand that it will not conduct bilateral exchanges with South Korea. Of course, we hope to, and are willing to join others in making efforts to promote and maintain stability on the Korean peninsula and ease tension there.

[Inoue] As China's relations with North Korea, the Democratic People's Republic of Korea, are very close, can China help the United States and Japan ease the tension on the Korean peninsula?

[Qian] In this regard, I think we support the proposal made by the DPRK on tripartite talks. We think that it is a positive proposal.

[Inoue] What is your opinion on the U.S. proposal on negotiations by four countries?

[Qian] I have not considered this question.

[Inoue] Thank you.

[Qian] You are welcome.

FURTHER COVERAGE OF PRC-BHUTAN BORDER TALKS

## Wu Xueqian Praises Talks

OW191842 Beijing XINHUA in English 1535 GMT 19 Apr 84

[Text] Beijing, April 19 (XINHUA) -- Chinese Minister of Foreign Affairs Wu Xueqian said here today that the first round of boundary talks between China and Bhutan had gained very good results with the exchange of views between the two countries' official delegations. Wu Xueqian, also a state councillor, made the remarks at a meeting with the delegation from the Kingdom of Bhutan led by Om Pradhan, Bhutanese ambassador to India, here this afternoon. Pradhan held similar views with the Chinese foreign minister, describing the talks as "fruitful and satisfactory to both sides."

Wu spoke highly of Bhutan's policy of independence and self-reliance. "China and Bhutan have been friendly to each other since the ancient time and there is no conflict of interests between the two countries," he said.

So long as the two countries continued their friendly negotiations on the basis of the five principles of peaceful coexistence, he said, the boundary question between China and Bhutan would certainly be settled. He added that a Chinese delegation would be sent to Bhutan for the second round of talks.

Pradhan said that there had always been good will in Bhutan for China. No wars and conflicts had ever occurred between the two countries on the boundary issue.

He expressed his confidence that with the settlement of the boundary issue, the relations between China and Bhutan would be further promoted.

Wu Xueqian asked Pradhan to convey his invitation to Bhutanese Foreign Minister Lyonpo Dawa Tsering to visit China at a time convenient to him.

## Joint Communique Issued

LD201514 Beijing XINHUA in English 1318 GMT 20 Apr 84

[Text] Beijing, April 20 (XINHUA) -- Official delegations of China and Bhutan expressed their satisfaction with the results of the first round of boundary talks in a joint communique which they signed here this afternoon.

According to the communique, the future meetings would be held alternately in Beijing and Thimphu. It was also agreed that the second meeting would be held in Thimphu sometime between the winter of 1984 and spring of 1985, with the precise dates for the meeting to be finalized after further consultations between the two governments through normal diplomatic channels.

Full text of the communique follows:

1. On the basis of consultations between the Government of the People's Republic of China and Royal Government of Bhutan, the two governments held their first meeting at the officials' level in Beijing, China between 17 and 20 April 1984 to commence bilateral boundary talks between the two countries. The Chinese delegation was led by H.E. Mr Gong Dafei, vice foreign minister. The Bhutanese delegation was led by H.E. Dasho Om Pradhan, ambassador extraordinary and plenipotentiary.



2. The Bhutanese delegation had the honour to call on H.E. Mr. Zhao Ziyang, premier of the State Council, and H.E. Mr. Wu Xueqian, state councillor and foreign minister, of the People's Republic of China.
3. The first round of talks were held in a most cordial and friendly atmosphere and on the basis of sovereign equality, mutual benefit and mutual accommodation. Both sides expressed satisfaction with the results of the talks.
4. This round of talks between the two sides were of a preliminary nature in which the two sides discussed procedures and modalities relating to future meetings.
5. Both sides felt that this round of talks had increased mutual understanding and friendship. They hoped to continue to maintain a peaceful and friendly border and expressed their readiness to make every effort for an early settlement of the boundary question.
6. The two sides agreed that future meetings would be held alternately in Beijing and Thimphu. It was also agreed that the second meeting will take place in Thimphu sometime between the winter of 1984 and spring of 1985. The precise dates for the meeting will be finalized after further consultations between the two governments through normal diplomatic channels.
7. The Bhutanese delegation expressed their thanks for the warm reception and hospitality accorded to its members during their stay in Beijing.

#### Zhao Ziyang Meets Delegation

LD201929 Beijing XINHUA in English 1515 GMT 20 Apr 84

[Text] Beijing, April 20 (XINHUA) -- "China attaches great importance to developing its friendly and good neighbourly relations with Bhutan," Chinese Premier Zhao Ziyang said at a meeting today with an officials' delegation from the Kingdom of Bhutan. He extended a warm welcome to the first official delegation from Bhutan to visit New China since its founding 35 years ago. He said he was pleased to see the achievements in the first round of boundary talks between the two countries, expressing his appreciation to the signing of the China-Bhutan joint communique this afternoon. "This is a good beginning," he said.

So long as the two sides continued to conduct the talks in the spirit of friendly cooperation and mutual understanding, the bilateral boundary talks would keep progressing and lead to the satisfactory solution of the problem, Zhao Ziyang said.

He said China stood for the equality of all countries, big or small, weak or strong, poor and rich, and handled bilateral relations on the basis of the five principles of peaceful coexistence. Noting that both China and Bhutan were friendly neighbouring countries. Zhao said China cherished the traditional friendship between the two peoples, respected Bhutan's independence and sovereignty, and would never interfere its internal affairs. He also spoke highly of the non-alignment policy pursued by Bhutan.

Om Pradhan, leader of the Bhutanese delegation, expressed his admiration of China's policy on equality of all countries, big or small. He said he was confident that bilateral boundary issues would be solved satisfactorily through the efforts of both sides.

Gong Dafei, vice-foreign minister and head of the Chinese delegation to the boundary talks, was present at the meeting. The Bhutanese delegation will leave Beijing for home tomorrow.



PAKISTAN DEFENSE COLLEGE DELEGATION VISITS

## Xu Xin at Banquet

OW181540 Beijing XINHUA in English 1455 GMT 18 Apr 84

[Text] Beijing, April 18 (XINHUA) -- Pakistan Ambassador to China Maqbool Ahmad Bhatti gave a return banquet in the embassy here this evening for the visiting Pakistan National Defence College delegation. Among the guests were Xu Xin, deputy chief of General Staff of the Chinese People's Liberation Army, and Zhang Lin, deputy commandant of the PLA Military Academy. Bhatti and Xu Xin expressed their hope for further growth of the friendship between the people and armed forces of the two countries.

The delegation, led by Major General Javed Nasir, arrived here on April 15 at the invitation of the Chinese Ministry of National Defence. They visited the Chinese PLA Military Academy and toured scenic spots in Beijing. They will leave here tomorrow to travel to Nanjing, Shanghai, Hangzhou and Guangzhou.

## Feted in Nanjing

OW210139 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 19 Apr 84

[Text] According to our station correspondents (Tian Fengnan) and (Yao Jianping), the Nanjing PLA units gave a banquet to warmly welcome the Pakistani National Defense College delegation, led by Major General Javed Nasir, on the evening of 19 April. The banquet was hosted by Zhang Ming, deputy commander of the Nanjing PLA units. Also present at the banquet were (Ba Zhongtan), deputy chief of staff, as well as (Huang Mingjin) and (Ji Zhan), responsible persons from the departments concerned.

In his toast, Deputy Commander Zhang Ming bid a hearty welcome to the delegation, visiting Nanjing on the eve of the 35th anniversary of Nanjing's liberation. He said: China and Pakistan are two neighboring countries, closely linked by common mountains and rivers. The friendly contacts between the peoples and armies of the two countries have continued to increase. The visit of the delegation, led by Major General Nasir, will certainly further strengthen our friendship.

Major General Nasir said: We are delighted to have this opportunity to visit Nanjing, an ancient city with a long history. Through various activities during our visit here, we shall return to our country with good impressions, as well as the deep friendship of the Chinese people and army for the Pakistani people and army.

The Pakistani National Defense College delegation arrived in Nanjing from Beijing on the morning of 19 April. Accompanying the delegation in their visit to Nanjing was Brigadier Tariq, military attache to the Pakistani Embassy - China.

XINHUA CITES UK'S SIR GEOFFREY ON HONG KONG TALKS

OW201206 Beijing XINHUA in English 1146 GMT 20 Apr 84

["Sir Geoffrey Explains British Stand Over Hong Kong Issue" -- XINHUA headline]

[Text] Hong Kong, April 20 (XINHUA) -- Britain's approach to the talks on the Hong Kong issue had been to examine with the Chinese Government "how it might be possible to arrive at arrangements that would secure for Hong Kong, after 1997, a high degree of autonomy under Chinese sovereignty, and that would preserve the way of life in Hong Kong, together with the essentials of the present systems." This was stated by British Foreign Secretary Sir Geoffrey Howe at a press conference here this morning.

He said that "it would not be realistic to think of an agreement that provides for continued British administration in Hong Kong after 1997."

Sir Geoffrey Howe, who arrived here after his four-day visit to Beijing, gave his press conference at 11:00 hours today. In a statement he read at the press conference, he said "(Leaders of) the Chinese Government have made it clear publicly that they recognise the special circumstances of Hong Kong, and that they want its social and economic systems and lifestyle...to remain unchanged." "We share with the Chinese Government the strongest possible common interest in that objective," he added.

"It is possible to foresee a situation in which Hong Kong would, as part of China, enjoy a high degree of autonomy. In such a situation that autonomy would extend to administration, the making of laws, the maintenance of Hong Kong's own familiar system of justice, and responsibility for public order in the territory," he said in the statement.

Sir Geoffrey described the Sino-British talks as "complex and difficult." "We are still some way from an agreement. But a good deal of progress has been made. And there is a will on both sides to bring our work to fruition in an agreement, which will ensure the stability and prosperity of Hong Kong," he said.

Answering questions at the press conference, he said that the people of Hong Kong could voice their views through different channels although the talks on the Hong Kong question were conducted between the Chinese and British Governments.

RENMIN RIBAO REPORTS HOWE STATEMENT IN HONG KONG

HK230740 Beijing RENMIN RIBAO in Chinese 21 Apr 84 p 1

[Report by Zhou Yizhi: "Geoffrey Howe Makes Statement in Hong Kong on Talks About Hong Kong's Future"]

[Text] Hong Kong, 20 Apr -- Geoffrey Howe, British secretary of state for foreign and Commonwealth affairs, said in Hong Kong today: "It is right for me to tell you now that it would not be realistic to think of an agreement that provides for continued British administration in Hong Kong after 1997." Therefore, Britain concentrates its efforts on seeking other ways which can ensure Hong Kong's stability and prosperity and the continuation of its way of life. It is wrong that some people should think that Britain has "sold out" (Hong Kong).

At a press conference here this morning, Geoffrey Howe made a statement, saying that most of his time in Beijing was devoted to discussing problems on the future of Hong Kong with the Chinese leaders. He firmly believed that all the Chinese leaders wished to see that Hong Kong's existing system would remain basically the same. Both sides had the same desire to arrive at an agreement that could ensure the stability and prosperity of Hong Kong. "We are still some way from an agreement; but a good deal of progress has been made." He said: The Chinese Government has made it clear publicly that Hong Kong's existing system can remain at least for 50 years after 1997. It can be expected that Hong Kong as part of China will enjoy a high degree of autonomy and will still have its own administration, the making of laws, the maintenance of the system of justice which is familiar to the Hong Kong people, and responsibility for its own public order.

In answering questions from reporters, Geoffrey Howe said that in his talks in Beijing, the thing that impressed him most was the joint determination to try to reach the right answer to the important question of maintaining the prosperity and security of Hong Kong. He expressed that in the 13 years up to 1997, the British Government would maintain responsibility for administration and for preserving the prosperity and stability of Hong Kong.

UK ARMED FORCES MINISTER STANLEY ARRIVES 23 APR

OW231446 Beijing XINHUA in English 1437 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- John Stanley, British minister of state for the armed forces, arrived here by air this evening for a 7-day official and friendly visit to China at the invitation of Chinese Minister of National Defence Zhang Aiping.

During his stay in Beijing, Stanley is scheduled to confer with Xu Xin, deputy chief of General Staff of the Chinese People's Liberation Army, on international issues and bilateral relations. Yang Dezhi, chief of General Staff of the PLA, and Zhang Aiping will meet with Mr. Stanley and his party on separate occasions.

The British guests were greeted at the airport by Xu Xin, Zhang Bingyu, adviser to the Bureau of Foreign Affairs of the Ministry of National Defence, and British Ambassador to China Sir Richard Mark Evans, defence attache of the British Embassy in China, Col. B. Aldridge.

FANG YI MEETS AUSTRIAN SCIENCE MINISTER FISCHER

OW230715 Beijing XINHUA in English 0655 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- State Councillor Fang Yi discussed Sino-Austrian cooperation in science and technology with Dr. Heinz Fischer, federal minister of science and research of Austria.

Fang Yi, also minister in charge of the State Science and Technology Commission, and Dr. Fischer also briefed each other on the development of science and technology in their own countries.

Dr. Fischer and his party arrived here on April 21 to sign an agreement on scientific and technical cooperation between the Chinese and Austrian Governments.

## Signs Cooperation Agreement

OW240918 Beijing XINHUA in English 0904 GMT 24 Apr 84

[Text] Beijing, April 24 (XINHUA) -- An agreement on scientific and technical cooperation between the Chinese and Austrian Governments was signed here today. Under the agreement, the two sides will exchange publications, information and documents on science and technology and scientists and experts to conduct scientific study and research, work on joint project as well as promote direct cooperation between universities and other scientific research institutions. The agreement also stipulates that a mixed committee composed of representatives and experts of the two countries be established to deal with matters relating to the cooperation. Fang Yi, state councillor and minister in charge of the State Science and Technology Commission, and Dr Heinz Fischer, federal minister of science and research of Austria, signed the agreement respectively.

EUROPEAN YOUTH ORCHESTRA PERFORMS IN BEIJING

Entertained by Culture Ministry

OW221630 Beijing XINHUA in English 1503 GMT 22 Apr 84

[Text] Beijing, April 22 (XINHUA) -- China's Ministry of Culture hosted a buffet here this evening for the European Community Youth Orchestra who arrived earlier today. Vice-Minister of Culture Zhou Weizhi in his toast expressed satisfaction and appreciation for the friendly contacts between China and the European Community. He said he was convinced that the visit of the young musicians from Europe would enhance friendship between the European and Chinese peoples, particularly the youth, and promote cultural exchange between the two sides.

Lionel Walter Bryer, who headed the orchestra, said the young musicians from ten European countries were determined to make their first China visit a big success. He extended a formal invitation to China to send a youth orchestra to the capitals of the European Community countries. Present were Minister of Culture Zhu Muzhi and diplomatic envoys and cultural officials from the ten European countries. The orchestra had performed in Guangzhou and Shanghai before arriving here and will make its Beijing debut tomorrow evening.

## Beijing Debut

OW232011 Beijing XINHUA in English 1841 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- The European Community Youth Orchestra held its premiere performance in Beijing before an audience of 2,000 at the Hongta Auditorium tonight. Under the baton of Director James Judd, the young musicians presented Britten's Four Sea Interludes from Peter Grimes, Brahms' Piano Concerto No 1 in D Minor and Mussorgsky's Pictures at an Exhibition. Romanian pianist Radu Lupu was soloist in the Brahms piano concerto. The Europeans also played two encores, including the Chinese music "Glad Tidings Spread From Beijing to the Border Villages".

Among those attending tonight were Chen Pixian, vice-chairman of the Standing Committee of the National People's Congress, Zhu Muzhi, minister of culture, and Zhou Weishi, vice-minister of culture. Diplomatic envoys from the European Community countries were also present. The musicians arrived in Beijing yesterday following appearances in Guangzhou and Shanghai. The orchestra will give two more concerts here on April 25 and 26.



BOLIVIAN PARLIAMENTARY DELEGATION VISITS PRC

## Meets Li Yimang

OW201919 Beijing XINHUA in English 1830 GMT 20 Apr 84

[Text] Beijing, April 20 (XINHUA) -- Li Yimang, president of the Association for International Understanding of China, met and feted a Bolivian parliamentary delegation led by President of the Senate Julio Garret Ayllon here this evening. Li Yimang said that both China and Bolivia, though separated by vast oceans, belonged to the Third World, shared the experience of being bullied by colonialism and imperialism in the past and had the same history of fighting for the national independence and liberation. They are now faced with the same tasks of defending national independence and developing national economy, he said. Both countries stand for opposition to imperialism, colonialism and hegemonism and for the set-up of international economic order and defence of world peace, he added. "People of both countries had always cherished friendly feelings to each other," Li Yimang said. "We appreciate the contributions and unremiting efforts many friends in Bolivia's Senate and House of Representatives have made in promoting Sino-Bolivia friendly relations." He spoke highly of the motion adopted by the Bolivian Parliament in 1982 on establishing diplomatic relations with China. Li Yimang expressed his conviction that the delegation's visit to China would increase the mutual understanding of the two peoples and promote the healthy development of Sino-Bolivia relations.

Julio Garret Ayllon said that Bolivia and China were united in opposition to arms race and to the unjust international order, and especially in the struggle against imperialism. "We all oppose hegemonic contention," he added. He said: "We fear that the current confrontation between hegemonistic powers will penetrate into our land." The contents of the struggle for national liberation we are waging is to oppose imperialism represented by the superpowers." For this reason, he added, the developing poor countries were fully confident of the People's Republic of China, Julio Garret Ayllon said. This was the first Bolivian parliamentary delegation to China, and its visit was very important for the beginning of bilateral relations, Julio Garret Ayllon said.

The Bolivian delegation is visiting China at the invitation of the China Association for International Understanding, and its members include Gualberto Claure Ortuno, president of the House of Representatives, and its first vice-president, Gaston Encinas Valverde.

## Meets Li Xiannian

OW241132 Beijing XINHUA in English 1121 GMT 24 Apr 84

[Text] Beijing, April 24 (XINHUA) -- President Li Xiannian today appreciated the efforts of the Bolivian Senate and House of Representatives to promote the establishment of diplomatic relations between the two governments. Li Xiannian expressed this at a meeting with a Bolivian parliamentary delegation led by Julio Garret Ayllon, president of the Senate and Gualberto Claure Ortuno, president of the House of Representatives here this afternoon. Li said both China and Bolivia are Third World countries and should be on good terms. He asked Julio Garret Ayllon to convey his greetings to Bolivian President Hernan Siles Zuazo.

Julio Garret Ayllon said the Bolivian Parliament had approved a motion for the establishment of diplomatic relations between the two countries. "We are sure that the friendly relations will be beneficial to world peace," he added. He said China was a trustworthy friend of the Third World countries, as she had no ambition for hegemonism.

The delegation left here by air for Xian after the meeting.

RENMIN RIBAO DISCUSSES CARRYING OUT REFORMS

HK200913 Beijing RENMIN RIBAO in Chinese 16 Apr 84 p 5

[Article by Ji Wei: "Beijing Bravery in Carrying Out Reform Is the Characteristic of a Revolutionary"]

[Text] Practice is proving ever more that in work units where reforms are carried out correctly, the situation becomes positive as soon as the reforms have taken place and results are very obvious. However, the road to reform is by no means smooth. Some pioneers of reform work have talked to me about the job they experienced in breaking through the new road and being the first to see the glorious light of a new dawn, and without reservation have confided in me on the various problems they came up against and the worries they had.

One factory foreman enthusiastically told me about the initial successes of his factory in their reforms and the problems they were experiencing at the moment, and after this spoke of his personal experiences and recounted some of the misfortunes and problems that some famous reformists had confronted in the past, and then let out a sigh of regret over the difficulties of reform. I understand his feelings, for he was by no means discouraged; rather, he wanted even more support and coordination. However, all the censure and blame that he had received lingered in my mind. I visited several other reformists and came to understand what kind of censure they had had to endure, as well as learned about the support given to the reformists by some leading comrades and the public. In order to distinguish the rights and wrongs of reform, it is vital that we respond to these censures.

"You're building capitalism -- material incentives and all that lot!" In fact, this kind of censure is by no means new, for 5 years ago, when the system of contract responsibility with payment linked to output was first being implemented in rural areas, it was continually censured by many people as a form of building capitalism. Today, the enormous agricultural reforms have succeeded and are developing to new stages. The focus of reforms has now been turned to the urban areas and to commerce, finances, and trade. All of these reforms have only just begun and are still in a model or pilot stage. All the pilot programs are being implemented in a regulated way under the guidance of the party committee, and in many cases provincial and urban leading comrades actually personally come to grips with the reforms. We must believe that those in the party committee who are approving and guiding these pilot programs are not building capitalism. As for those comrades who have had their minds fettered by extreme leftist thinking and who stand in the wings, saying three and meaning four, let them say what they like as long as we go on upholding the road pointed out to us by the central authorities! The very response to them is facts.

"You have contravened XX regulation and XX documents!" What standards should be used to assess whether reforms have been done correctly? Comrades Deng Xiaoping and Hu Yaobang both said that, in general, the indications that we use to assess whether our reforms are correct or not are: Whether or not they are of benefit to the construction of a Chinese style of socialism; whether or not they are of benefit in making the country prosper and strong; and whether or not they are of benefit in helping the people grow strong and wealthy. Today some comrades are not using the "three benefits" to assess certain concrete reforms, but instead are grabbing at old regulations or old documents and taking these as the standards, and then considering that if the reforms conform with them, they are correct, and if not, they are incorrect. As a result they censure the reformists in various ways. Of course, we should not consider that old regulations and documents are the targets of reforms. Even if some are no longer reasonable, we cannot get rid of all of them all at once.

However, reformists must first have the spirit of courageously breaking down the old and building up the new, and they must bravely make use of the "three benefits" to assess and analyze all former regulations and stipulations. Those that come up to the standards of the "three benefits" should, naturally, be upheld. Those that no longer meet these standards must be dealt with by courageously researching now to firmly and orderly implement reforms. Naturally, during the pilot stage it is impossible to achieve total perfection, and some shortcomings cannot be avoided; indeed, sometimes mistakes are made. Perhaps sometimes some will be unsuitably broken down and others may be unsuitably created, but these do not mean that the reformists be severely criticized.

As long as we are adept at making timely assessments of our experience, we will be able to continually perfect ourselves during the practice of reform work. Reform should be guided by Marxism. This, of course, is very correct and right. However, the universal truths of Marxism must be integrated with the reality of China. The universal truths of Marxism must be integrated with our present reality. This was the spirit announced at the 12th party congress in order to comprehensively open up a new situation in the construction of socialist modernization, and is also a principle that fully embodies the spirit of the "three benefits" announced at that party congress.

"You've destroyed XX system!" It should be remembered that reforms are intended to reform unsuitable systems. If all work is carried out according to old systems, then what would be the point of reform? Since we are carrying out pilot programs, when reforming systems we should assess our experiences and then spread the reforms we are implementing. There should be enthusiastic support and active coordination from every quarter for those work units carrying out pilot programs. We should not allow certain present systems to block and stifle the work units trying out the pilot programs; rather, on the basis of the new spirit of the central authorities, we should permit the adoption of some more flexible measures.

"You are breaking the law and destroying discipline!" Naturally, breaking the law and destroying discipline cannot be tolerated. However, some comrades say such things as a form of censure when they see others breaking certain old basic structures and destroying old restrictions. In fact, some regulations and rules are no longer suited to present developmental trends and should be reformed as quickly as possible. Quite a number of reformists say that some regulations and rules are in fact restricting the productive forces too much and that these tend to reward the lazy and punish the industrious, so they must be wiped out. Irrational rules that "only give money to buy a coffin and do not give money to buy food" surely should not be scrupulously abided by without change?

"You refuse to listen to differences of opinion. You're too arrogant!" Naturally, reformists cannot be arrogant and self-satisfied; they must listen to different opinions with an open mind. They must listen to correct opinions, for if they do not, they have committed a mistake. But they must firmly uphold what they themselves have decided is a correct opinion. If a reformist cannot uphold his own correct opinion, and if he only repeats what others say and appears to be very modest, he will in fact become someone who simply drifts with the tide, and he will then find it very hard to carry out any reforms.

Reformists must analyze all different opinions. On no account whatsoever should reformists adopt incorrect opinions. Comrades who support these kinds of incorrect opinions are often very opinionated and are likely to say such things as: "You refuse to listen to differences of opinion," when in fact they are the ones who refuse to listen to differences of opinion and they are the ones who want to force their incorrect opinions on others. There are some other differences of opinion that could be researched and discussed, but that do not have to be complied with.



"You consider yourself to be more clever than the leaders, so you look down on the leaders!" Generally speaking, leaders are wiser than those who are led, but in many cases those being led may be wiser and more clever than the leaders. Furthermore, the reason why our party leaders are often wiser than us who are led is that they are adept at and have an open mind to learn from those they lead, and they are good at concentrating the wisdom of the masses and the cadres. The prosperity and strength of our party owes to the fact that under the leadership of the party able people have come forth and one hundred flowers have bloomed.

Many reformists have truly acute judgment, and in some cases they are highly original and clever. Leaders should admit this fact and they should enjoy seeing all this talent appearing among the people they lead. Today leaders in some work units do not enjoy seeing the emergence of talented people, but prefer obedient mediocrity. These kinds of leaders often like to use the phrase: "You think you are so clever and you look down on the leaders," as a criticism so as to oppress and control talented people. From ancient times some mediocre and incompetent leaders have brought calamity to the country and to the people because they were jealous of talent and firmness. Some very clever leaders have also often harmed the country and the people because they were jealous of such things. These painful lessons are unforgettable.

"What's your hurry?" Some reformists really do have a true sense of urgency and are eager to meet the needs of both the state and the people. However, some leading bodies and organizations are often very offhand and cold about the requests for orders and the reports from reformists, and they do not seem to care at all. Sometimes they consider and examine everything according to the old regulations so that matters draw out into months and even up to a year. In view of this, how can reformists not hurry? In our reforms, the first thing we must do is reform the leadership style, the work style, and the methods of working. Putting things off and doing things slowly often result in the bungling of major affairs. There was one factory in which the party secretary was upholding reforms, but came up against many obstacles in the factory. He gained the support of the provincial party leaders and then proposed to the urban party secretary that he himself become the factory foreman so that he could organize a strong and effective administrative command group. Within one year he filed a report, but a year passed and no approval came, so he became very upset and angry, saying the higher authorities kept putting things off, thus the reform plans were in constant danger of being put off. In this situation, was it any wonder that he was in a hurry?"

"You just want power!" This kind of censure should also be analyzed. It must be checked whether power is wanted for its own sake or whether power is wanted so that reforms can be carried out. If the former is the case, then of course it should be opposed. If the latter is the case, then this power is absolutely vital. An intelligent and practiced reformist has opinions, his or her own ideals, and plans. In order to truly implement and realize his or her reform plans, he or she must first select some other comrades who have common goals so as to form a leadership group. If this person is not given certain rights and powers to make use of personnel, and if instead some untalented people or people who do not want to work with him or her are given power, then this person will have to go into battle alone, or with perhaps only a few comrades, and in this case it would of course be very difficult to ensure that the reforms were carried out.

These people must be given specific rights to make use of personnel, some specific financial powers, and some specific management powers. The opinions and methods of a reformist have to be approved by the leading bodies. If there is no differentiation between big and small, and if everything gains approval or if approval for a project is given late, then perhaps an opportunity will have been missed. Then it will be very hard to ensure that reforms are carried out.



Naturally this does not mean that everything a reformist says is correct. The reformist must, during the process of reforming the objective world, pay special attention to improving his or her own substantive world view.

Courageous reform is a characteristic of a revolutionary. If one wants to be a reformist who is creating a new situation in socialist modernized construction, then one must first have strong convictions and beliefs in the construction of the four modernizations. One must come to understand the enormous significance and the victorious future of these reforms taking place. At present the central authorities already have and are still in the process of drawing up some new policies and new regulations and systems. Many things that it was previously thought could not be broken have been broken, and many things that no one dared to set up have been set up. The various problems that we come up against during our reforms are being gradually solved now one by one. We have already seriously handled many things and people who because they were unaccustomed to them, were blocking, attacking, or destroying the plans of the reformists. As reforms receive more and more enthusiastic protection from the masses of cadres and the masses of people, so too the number of work units carrying out pilot programs increases. Thus, the future of these reforms is indeed glorious.

In order to be a reformist, not only must one fully appreciate the urgency and importance of these present reforms, in addition, one must fully appreciate and understand the complex and arduous nature of these reforms, and one must understand that the reforms in commerce, finances, and trade are far more complex than those in agriculture. Thus, there is a need for determination and order. There is a need for courage and for pilot programs. On no account should we act rashly in any of these reforms. On the other hand, we must also come to understand that because these reforms are complex, it is vital that we listen with an open mind to different opinions from all sources. We should not consider all differences of opinion as obstacles in our way, for many opinions are actually the good ideas of very well-intentioned people. At the same time, we must be brave and put up a courageous struggle against all obstacles that stand in the way of reforms. We must also ensure that reformists are mentally prepared for censure and attacks; they will be wronged and they will be bullied, and they may even suffer injustices. Someone who becomes negative and pessimistic when he or she comes up against obstacles is no reformist.

Reformists must be brave and must be astute. We not only must be brave in reform, we must be good in reform. We must discuss ways and methods. Of extreme importance is a positive and good handling of the relations between left and right and between the upper levels and the lower levels. It must be remembered that some comrades are unenthusiastic about reforms because they have been influenced by extreme leftist thoughts and they have doubts. This kind of attitude is understandable and we must allow people to develop a process of coming to understand the situation so that even if some people show opposition or pull the rug away from under our feet they may not necessarily mean true malice. Reformists should also be considerate and think about others and make allowances for the problems and difficulties of others. They must uphold principles and they must also be adept at making necessary and temporary compromises where necessary when dealing with some concrete problems. Acting blindly in a persistent and stubborn manner is not a good way of doing things.

A reformist must make even higher demands on him or herself and must always take note of actual results. A reformist must uphold the truth, must have great courage, must be prudent, and must at all costs avoid making any unnecessary mistakes. He or she must also be good at taking the mass line and must be good at uniting all comrades who can be united so as to struggle together.

In the great garden of our motherland, more and more flowers of reform will open up and blossom.

The more they do so, the more beautiful they will be. Reformists, as gardeners in this garden, go to work with full confidence!

GUANGMING RIBAO ON SHANGHAI MACHINE TOOL PLANT

HK201412 Beijing GUANGMING RIBAO in Chinese 14 Apr 84 p 1

[Report: "Shanghai Machine Tool Plant Overturns '21 July Investigative Report,' a Product of the 'Cultural Revolution'"]

[Text] [Editor's note] The Shanghai machine tool plant is the place where the "gang of four" hatched the so-called "21 July Investigative Report." Engineers and technicians at this plant have been the direct victims of the results brought about by this report. Therefore, as the following report shows, it is absolutely necessary to negate the "21 July Investigative Report" on the principle of seeking the truth from the facts and correcting mistakes whenever discovered in order to implement the party's policies toward intellectuals. Although wrongs suffered by those who were unjustly, falsely, and wrongly charged during the "Cultural Revolution" should have been redressed a long time ago, the "21 July Investigative Report," which misrepresented facts and had a harmful influence, was not thoroughly repudiated until recently. This has seriously hindered this plant from eliminating the residual influence of "leftism" and has prevented most intellectuals in this plant from laying their fears to rest.

The party committee of the Shanghai machine tool plant decided to announce the repudiation of the "21 July Investigative Report" to the whole factory. The move is of significance not only because it will promote the implementation of the policies toward intellectuals in the factory, but also because it will help further eliminate the influence of "leftism" in intellectual and educational circles throughout the country so as to overcome some people's prejudice against intellectuals and to carry out the policies toward intellectuals in an all-round way. [end editor's note]

On the principle of seeking the truth from the facts and correcting mistakes whenever discovered, the party committee of the Shanghai machine tool plant recently decided to thoroughly repudiate the so-called "21 July Investigative Report," which was published during the "Cultural Revolution," and to seriously eliminate the pernicious influence of this report in the factory so as to implement the party's policies toward intellectuals in an all-round way and to fully utilize engineers and technicians in this factory during the process of modernization.

The Shanghai machine tool plant is a major factory for producing all kinds of precision grinding machines. The factory now has a total of more than 6,000 workers and staff members, of whom about 800 are engineers and technicians. On 21 July 1968, newspapers throughout the country carried an investigative report entitled "The Course for the Training of Engineers and Technicians as Seen From Facts at the Shanghai Machine Tool Plant." This was later called the "21 July Investigative Report." In late 1980, the factory's party committee seriously reexamined the report, and judged that the report which misrepresented distorted facts, was a product of "leftist" ideology, which was composed according to the scheme of the "gang of four." For example, the report said that the training of engineers and technicians represented a "profound change brought about by the Cultural Revolution." As a matter of fact, the factory had begun to train technical personnel among the workers before the "Cultural Revolution." More precisely, the factory did so as early as the 1950's. In 1954, the factory selected 70 workers to receive technical training. In 1958, the factory began to run a sparetime university for workers and recruited the first group of more than 70 working students. Afterward, more study classes and training courses of various kinds were run in order to train technicians among the workers.

As of 1965, the factory had increased the number of technicians from 62 to 580 people. Another problem was that the investigative report labeled many veteran technicians "reactionary academic and technical authorities," "renegades," and "major suspected enemy spies." All these allegations have been proved false.

In addition, the report compared technicians of worker origin and intellectuals who graduated from formal universities by describing them as two antagonistic forces. The latter group was described as worthless people who could achieve nothing, while the achievements of technicians of worker origin were deliberately exaggerated. For example, Cao Wanqian, who has studied in a foreign country and holds a doctorate, was described by the report as an intellectual who accomplished nothing, although he had studied in school for more than 20 years. In comparison, the report said that a technician of worker origin succeeded in designing a surface grinder that attained the advanced international level. As a matter of fact, the bearing of this grinding machine was based on the research achievement of Cao Wanqian, and this machine was not as good as one that attained the advanced international level or as one that "filled the gap in our country." There are many similar cases in the report in which one person's achievement was attributed to another person and facts were wantonly misrepresented.

After the investigative report was published, a large number of intellectuals in this factory, particularly elderly and middle-aged engineers and technicians, were once again exposed to criticism and persecution. Many of them were removed from technical posts and were demoted to ordinary workers. Some of them were even forced to receive "labor reeducation" for as long as 10 years. Facts fully show that the investigative report has served as a weapon of the "gang of four," who used it to negate the achievements in the educational field in the first 17 years of the People's Republic, to disorganize our educational front, and to do wrong to intellectuals, and thus has produced an extremely pernicious influence. In 1980, the Shanghai machine tool plant party committee submitted a report to the higher authorities concerned, requesting that the report be rescinded. However, this matter was regarded as unimportant.

Since the "21 July Investigative Report" was not completely overturned, it continued to serve as a formidable mental bond on the plant's engineers and technicians, as well as a big obstacle for the plant in carrying out the party's policies toward intellectuals. Many middle-aged and elderly intellectuals were still bothered by lingering fears. Some requested transfers, some took long leaves using all sorts of excuses, and some did not dare apply for party membership. Some cadres were still deeply influenced by "leftist" ideology and did not correctly treat engineers and technicians who graduated from formal universities. Many middle-aged and elderly engineers and technicians were not promoted or used as they should have been used. Many technical personnel said: "Without thoroughly repudiating the '21 July Investigative Report,' there is no way to ensure the implementation of the policies toward intellectuals."

Acting in accordance with the instructions of the CPC Central Committee and the Shanghai Municipal CPC Committee on reexamining the implementation of the policies toward intellectuals, the Shanghai machine tool plant party committee recently came to realize that it was an urgent matter to completely repudiate the "21 July Investigative Report" in order to carry out the party's policies toward intellectuals. At the same time, the plant party committee decided to set up a leading group in charge of the implementation of the party's policies toward intellectuals, and enjoined the group to carry out an all-round investigation of the situation of intellectuals in this plant. In recent days, Zhang Naisheng, secretary of the plant party committee, presided over three enlarged meetings of the party committee, and Zhou Yuqing, deputy secretary of the plant party committee, made a speech at one of these meetings on implementing the policies toward intellectuals in a practical manner. The plant party committee then made public the full text of its report for rescinding the "21 July Investigative Report," and organized cadres, party members, and technical personnel to seriously discuss this matter.



JINGJI RIBAO EDITORIAL VIEWS RESPONSIBILITY SYSTEM

HK240611 Beijing JINGJI RIBAO in Chinese 17 Apr 84 p 1

[Editorial: "Effectively Strengthen the Economic Responsibility System Inside Enterprises"]

[Text] From the Shoudu Iron and Steel Company to the second automobile plant and the Haiyan shirt plant, whether they are large, intermediate, or small enterprises, the experiences of many enterprises that have conducted successful reforms show that after the problem of "eating from the same big pot" is settled in the relationship between the state and the enterprise, it is still necessary to establish a strict economic responsibility system inside the enterprise so as to solve the problem of "eating from the same big pot" among workers in the same enterprise. Only by thoroughly solving the problem of "eating from the same big pot" in these two areas can the enterprise be provided with both impetus and motivating force and can the initiative of the enterprise and its workers be fully aroused to improve management and operation and to make technological progress. That is the only effective way to tap the great potential in the enterprise. The correct handling of the relationship between the state and the enterprise has provided a necessary condition for establishing various economic responsibility systems inside enterprises. Therefore, all industrial enterprises must seriously accomplish this work in the light of their respective conditions.

The economic responsibility system is an enterprise management system which, under the guidance of state policies, regulations, and plans, links workers' individual economic benefits with the enterprise's business results and their respective contributions. The economic responsibility system should not be regarded as merely an issue in the distribution of economic benefits. The enterprise's chief responsibility is to produce readily marketable goods of high quality at low cost in accordance with state plans and market demands, so as to meet the needs of society and to achieve high economic results.

The internal economic responsibility system in an enterprise includes two parts; namely, the personal economic responsibility system and the professional economic responsibility system. After deciding on a general goal for production and operation in the light of state plans and the demands of society, an enterprise must assign specific targets and work norms to all sections, workshops, groups, and individual workers on the principle of combining duties and rights with benefits so as to place a clear responsibility on organizations at all levels and on each individual. At the same time, professional and technical work of all kinds concerning the management and operation of the enterprise should also be assigned to each organization and each responsible person so as to establish a professional economic responsibility system at all levels. The establishment of the personal economic responsibility system and the professional economic responsibility system will arouse the initiative of all workers, because everybody in the enterprise must bear his specific economic responsibility and must care about production and operation results.

In an enterprise, each worker has to sign a specific work contract, pledge to fulfill some specified duties, and subject his work to examination so that his benefits can be linked to his duties and rights. This is a guarantee for the implementation of the economic responsibility system. Through the conclusion of work contracts, work norms and technical and professional responsibility can be assigned to each worker who thus can clearly take the tasks and economic responsibility on his shoulders so that labor can be more strictly and scientifically organized and used. Through the making of pledges, cooperative relations between different sections and workshops and between individual workers in the course of production can be consolidated as they have to pledge to each other the fulfillment of their respective duties.



Through the examination of each worker's fulfillment of all provisions of his contract and pledges, the distribution of economic benefits can be made and awards or punishments can be meted out on a reasonable basis. Through these steps, an enterprise can establish a well-organized economic responsibility system that clearly distributes duties, rights, and benefits to each production organization and individual worker. Then, the enterprise can standardize and institutionalize its management and internal cooperative relations.

In order to facilitate the implementation of the enterprise internal economic responsibility system and to better implement the principle of distribution according to work, it is necessary to reform the existing methods of issuing bonuses in an orderly way under the unified leadership of the higher authorities. The highest and lowest limits on bonus issuance should be gradually lifted. After paying a due amount of taxes to the state, the enterprise can issue unlimited bonuses to workers. This method can first be used in the construction, mining, and transport industries. Then, more pilot programs can be carried out in a number of selective enterprises that have been properly consolidated and have been based on a good foundation and that have a strong leadership and conduct production effectively. Experience can be summed up in practice. Of course, distribution in an enterprise should not necessarily be conducted through the issuance of bonuses. Wages can be paid on a piecemeal basis or on a floating basis. A wage package plan that links basic wages and bonuses can also be adopted. No matter which form we are going to adopt, we must link it closely with the strict implementation of an internal economic responsibility system so as to effectively implement the principle of distribution according to work and to arouse workers' enthusiasm. It is believed that so long as we seriously carry out the internal economic responsibility system in enterprises, through years of efforts, they will achieve better economic results and markedly change themselves.

#### PARTY, GOVERNMENT ENERGETICALLY ADVOCATE REFORM

HK240326 Beijing BEIJING REVIEW in English No 16, 16 Apr 84 pp 4, 5

["Notes From the Editors" column by economic editor Jin Qi: "Reforms Become the Tide of the Times"]

[Text] Since ancient times China has had a saying that most reformers come to a bad end. This is because in the feudal society progressive reform always encroached to some degree on the interests of the ruling class, and was usually not tolerated by the supreme rulers. Many reformers, including Shang Yang, who introduced reforms in the State of Qin 356 B.C., and Tan Sitong, who failed in the reform of 1898 during the Qing Dynasty, were put to death by their political enemies.

The situation is different today. The Chinese Communist Party and the Chinese Government energetically advocate and support reform. Especially since the Third Plenary Session of the 11th Party Central Committee in 1978, improvements in the irrational institutional structure, systems and working methods have been made throughout the country, with excellent results.

However, there is no smooth sailing for these reforms. They have met with much resistance. Two cases in point are the experiences of Wang Zepu and Bu Xinsheng, two factory directors who are bold reformers and good managers.

Wang Zepu, 52, is the director of a seamless steel tube factory under the state-run Anshan Iron and Steel Company in northeast China. With 3,500 workers and staff on its payroll, the management of the factory was long in confusion. Many of its products were not up to standards. When Wang was appointed director of the factory in February 1979, he decided the management must be reformed for the factory to show improvement.

He pledged that he would change the backward outlook of the factory in one year.

Wang succeeded. Since 1979 the factory has overfulfilled its annual products have been up to standards. Last year it produced 150,000 tons of fine-quality seamless steel tubes, 2.5 times its designed capacity. It has joined the ranks of the nation's best for economic results. Now workers and staff in the factory are making efforts to catch up with and overtake advanced world levels.

Fifty-one-year old Bu Xinsheng is the director of a collectively owned shirt factory in Haiyan County, Zhejiang Province. The factory has more than 600 workers and staff. For more than 20 years before 1978 the factory did processing for commercial departments. As its products had dull designs and colours, it could not even earn enough to pay its workers.

Bu Xinsheng began his reform in 1979 with the slogan: "Quality and Reputation First." He led the factory to investigate the market and produce Shuangyan and Sanmao brand shirts, which are now much sought after in more than 20 big and medium-sized cities in the country. In 1983 the factory's output value and profits increased more than five-fold, and tax handed over to the state went up 3.6-fold over 1978. Its collective welfare fund and the income for workers and staff were increased by a wide margin.

Wang and Bu have much in common when it comes to running factories. First, they are both enthusiastic and bold reformers. As factory directors they know how to change the backward situation in their enterprises. Second, they both took drastic measures to carry out a necessary personnel shakeup after they become directors. Wang replaced all the incompetent leading cadres in the factory's research departments and workshops with engineers, accountants, and bookkeepers. Third, they established clear-cut rules for the division of labour, so that every worker knew exactly his or her responsibilities. They established a strict reward and penalty system to enforce discipline. Combined with ideological and political education, these rules have enhanced the workers' sense of responsibility.

However, in Anshan and Haiyan County there had been some arguments about these reforms from the very beginning. Some people accused Wang and Bu of "making arbitrary decisions and taking peremptory actions" and "using the managerial methods of capitalism." Some others seized their shortcomings and demanded perfection or reported them to the superiors.

These criticism did not die out until the ministers of the metallurgical industry and light industry and leaders of the two provinces expressed their support for the reforms. Now, Wang and Bu's experience have been publicized and praised throughout the country.

Generally, the management of China's state and collective enterprises is still rather poor. Bureaucracy, lax discipline, low efficiency, and "everyone eating from the same public pot" are still very common. Eliminating these problems will inevitably threaten some people's vested interests and will meet with resistance from those who are inclined to follow the beaten path or who are influenced by habitual "left" ideas. This is not at all surprising. Nevertheless, reform is necessary for the country's modernization drive and it is what the people want.

Reform is now an established state policy and has become a trend that no one can halt. The experiences of these two factory directors are nothing but two drops of water in this torrent of history. From their examples we can see that those who are against reform are sure to fail, while thousands of new-style factory directors and managers like Wang and Bu will appear and become resolute in this tide of reform.

SPACE INDUSTRY MINISTER INTERVIEWED ON SATELLITE

OW231336 Beijing XINHUA Domestic Service in Chinese 1432 GMT 22 Apr 84

[By reporter Zheng Qianli]

[Text] Beijing, 22 Apr (XINHUA) -- In an interview with a XINHUA reporter on 22 April on the successful launch of the experimental communications satellite, Space Industry Minister Zhang Jun said: China will make greater progress in its space technology.

Zhang Jun said: The experimental communications satellite was a key state engineering project approved by Chairman Mao and Premier Zhou. However, it was only after the 3d Plenary Session of the 11th CPC Central Committee was convened that the project proceeded rapidly. The fact that we were able to develop the satellite within such a short period of time and successfully launch it on the first try gives ample evidence of the superiority of the socialist system. The project included satellite body, carrier, launching, survey and control, and ground units. All of them were inseparable, with firm and unified leadership and extensive socialist coordination. Only through extensive socialist coordination was it possible to coordinate the steps of personnel and units involved in the project, thereby synchronizing the rotation of the communications satellite with the earth.

He added: The space industry already has a fairly large contingent of scientific and technical personnel specialized in scientific research, design, production, and experimentation. High in technical level and rich in experience, the contingent has already tackled many formidable tasks. Imbued with an innovative spirit and dedicated to the cause of socialist modernization, the scientists, engineers, and technicians have combined their revolutionary enthusiasm with a serious scientific attitude. This contingent has lofty ideals and the abilities to tackle difficult technical problems and shoulder the heavy task of modernization in science and technology.

Zhang Jun said: Space technology is an important component of the new technological revolution in the world. We must continue to strive as hard as necessary from now on. We must formulate effective measures for developing China's space technology and industry, improve its management and planning, speed up the process from the experimental stage to actual application, and continue to raise economic efficiency so as to meet the needs of the national economic construction and defense building. I believe that China's space technology will develop more rapidly in the near future and contribute more to the building of the four modernizations in the country.

SATELLITE WORKERS, SPACE PROGRAM 'MARTYRS' HAILED

OW241036 Beijing XINHUA Domestic Service in Chinese 1435 GMT 19 Apr 84

[Newsletter by XINHUA reporters Zhang Chunting and Lin Ning: "Rise Steeply for 70,000 Li"]

[Excerpts] Beijing, 19 Apr (XINHUA) -- On 16 April 1984, China's experimental communications satellite carried out tests in communications and radio and television transmission at its geostationary position in the synchronous orbit 36,000 km above the equator, thus introducing a new chapter in using a satellite developed and made in China to relay information. The news about this has reached the whole world. The world public opinion says that China has once again scored a spectacular achievement in space technology'.



Space technology that was pioneered in the 1950's has already become an important yardstick by which to judge the technical level of a nation's modern science and technology. With the approval of the party Central Committee, China's project to develop an experimental communications satellite began in 1975. In the long march toward space, China's scientists and engineers have broken through brambles and thorns and solved one major problem after another in advanced science and technology, finally scaling the peak.

#### China Truly Has Men and Women of Great Ability

To send a satellite into synchronous orbit 36,000 km above the earth, a new and even more efficient rocket engine was needed. This has brought to the space scientists and engineers a series of extremely complex technical problems. There are only a few countries in the world that now excel in this advanced technological field. In order to make a tremendous breakthrough in China's space technology and bridge the gap between China and the world advanced level, it was essential that China develop its own new engine.

The heavy responsibility for solving this difficult problem fell on the researchers and engineers in engine development. Zhu Senyuan, director of the research office, who was a doctoral candidate as early as the 1950's, took the lead in tackling difficult problems and reached the actual experimental stage from a theoretical stage within a short period. He had made tremendous progress after a few years of strenuous efforts. However, he was faced with enormous difficulties in tackling some key technical problems.

In order to strengthen leadership in doing this work, Deputy Director Wang Zhiren of the research office joined the comrades in tackling the problems. When she came back to China from a trip abroad, she sincerely spoke to the comrades of the technical group. She said: In doing this kind of job, we cannot believe that we can learn something from others in tackling the key technical questions. We should only rely on ourselves and use our own brains and hands. Setbacks and failures are not what we are afraid of. What we fear is lack of confidence and integrity. Thereafter, this woman expert worked even harder and tackled difficult problems day and night. The three-stage carrier rocket, with the new engine type developed by Chinese scientists and engineers as its "heart," was born at this historic moment! Our determination, wisdom, and moral integrity have become a tremendous force in reaching the pinnacle in the field of science and technology. The heroic Chinese workers in the field of space science and technology said as one: "We have done it ourselves!"

In order to ensure that the communications satellite will accurately enter the orbit and stably carry out its mission for a long time, we needed a precision vertical dynamic stabilizer. After spending more than 5 years in designing, processing, building, installing, and readjusting this device, the team that tackled this difficult problem, which was composed of college graduates and workers, succeeded in developing China's first full-sized vertical dynamic stabilizer from scratch.

#### Valuable "Centripetal Force"

There are 5 major systems in the entire communications satellite project and more than 100,000 parts in the satellite. For all those who participated in this magnificent project it is necessary to work hard in a creative manner in strict accordance with the plan. However, what Senior Engineer Li Yihuai had shown was his noble character as the master of the country. Li Yihuai did participate in developing the synchronous communications satellite from the start. He was a graduate student who had graduated from Jiatong University in Xian in 1965.



He thought: The state has cultivated a poor boy like me into an engineer with rich vocational knowledge. He himself should make contributions to building the motherland. He covertly expressed his determination to work on the synchronous communications satellite using his professional knowledge, which had taken 7 years to acquire.

When design work began for the antenna antispinning system for China's experimental communications satellite, a stepper motor was chosen to be used. At that time this type of stepper motor was fairly advanced; later even more advanced brushless motors came out. Li Yihuai covertly regarded the use of the brushless motor as his target in tackling the major technical problems. Li Yihuai's plan to develop this type of motor on a sparetime basis had finally won recognition and support from the leadership. On the eve of National Day in 1980, he and the comrades of the technical group succeeded in overcoming their major obstacles. After more than a month the general coordination meeting for China's first experimental communications satellite project adopted a resolution to abandon the use of the stepper motor in favor of the brushless motor.

#### People Who Shoulder Heavy Responsibilities

In the contingent of scientists and engineers in the field of space science and technology, a group of middle-aged intellectuals is boldly shouldering heavy responsibilities. History has pushed them to the forefront of the four modernizations program. There are two engineers in the Satellite General Assembly Plant -- a married couple. The husband is a 1965 graduate from the Beijing Institute of Posts and Telecommunications, while the wife is a graduate from a polytechnic school. They regarded their task to overcome difficulties and complete their mission in doing scientific research as their happiest goal. In 1976 the leadership of the plant gave the husband the assignment of developing a device that uses isotopes to check the satellite's air-seal system. Thereafter, he and his wife, who was responsible for checking the satellite for air leaks, worked in the same workshop and shared this scientific research project. They borrowed reference materials from the local library and studied them in the workshop in the daytime, and discussed various issues in the evening at home when they were preparing and eating their dinner. Later, this couple and their colleagues succeeded in developing China's first full-sized equipment for checking air seals, winning a Merit of Second Class from the Commission of Science and Technology and Industry for National Defense for their scientific research achievement.

#### People's Scientific Workers Offer All They Have for the Building of the Motherland

People may ask: What kind of danger would scientific researchers in white coats face? Let us narrate a story: When the experimenters at the No 5 pad of a rocket experiment center were testing the fuel flow and its speed on 28 January 1978, a roaring explosion occurred around the pad, followed by a fire. Gigantic air waves destroyed the windows and doors, shattered the roof, and bent the steel beams. Even glass in buildings as far as 80 meters away was shattered. A dozen or more people who participated in the test were thrown to the floor with their hair, eyebrows, and faces burned. Some of them lost their hearing because of broken eardrums.

But the brave scientists were not at all scared. They staunchly stood up, ignoring the pain they were experiencing, and immediately plunged into the struggle to extinguish the fire. They escorted the seven comrades who were more seriously wounded to a hospital. In the ambulance, the brave scientists thought of the experiment while ignoring the pain from their wounds caused by the fire. The director in charge of the pad, who was wounded, told the party branch secretary who was escorting them to the hospital:

"Time is pressing; you go back and quickly organize the resumption of the experiment. Don't delay the progress of the project because of us."

That very afternoon the party branch held a meeting to find out the cause of this incident, and discussed measures on resuming the test again. Normal operation was resumed in only 3 days. A week later, the director of pad No 5 and several other comrades, with bandages still around their heads, returned to the workshop to take part in the experiment. It was only after the experiment was completed that they went back to the hospital to continue to receive treatment.

When [the gas produced by] this new type of fuel reached a certain proportion in the air, the static electricity caused by a person touching his own hair was sufficient to cause an explosion. Nevertheless, the scientific and technical personnel conducted various experiments with the fuel in order to find out its property and rules so that it could conveniently serve the space undertaking.

The heroic deeds of bloody sacrifices occurred not only on the battlefield. In order to send the motherland's first synchronous communications satellite into the scheduled orbit in space, some scientific and technical workers unselfishly laid down their precious lives. Engineer Ma Jingyang, who was a Communist Party member, went into the experiment laboratory of the Atomic Energy Research Institute a total of 31 times to conduct an important experiment. As a result, he was exposed to excessive amounts of radiation. Because this happened during the chaotic time of the "gang of four," Ma Jingyang could not even receive minimum safety protection. Didn't he know that radiation was harmful to the human body? Surely he was aware of this. However, it was necessary to conduct simulated experiment on the ground in order to obtain the data about changes that would occur to the communications satellite after being sent into space and exposed to solar ions. In other words, he clearly knew there was a tiger in the mountain, but he headed toward the mountain.

Ma Jingyang never retreated in face of scientific experiment. This young man, who was in his thirties and originally healthy, contracted a serious ailment from his work. For 6 or 7 years he had difficulty breathing, but never complained. Every time he felt better, he went back to the office from the hospital and worked frantically. Fellow comrades made him rest. But he said: "Everyone has been working so assiduously. How can I just lie in bed? I would feel much better even if I could share even the slightest amount of work." At his death bed, leaders and fellow comrades asked him about his wish. He said apologetically: "I have done too little. It seems that I will never be able to see the communications satellite in space...."

We can comfort those who laid down their lives with the fact that China's first synchronous communications satellite has been successfully launched. In celebrating their successes, people will not forget those martyrs who laid down their lives for building a broad avenue to success. Let us forever keep their achievements in our minds!

#### SONG RENQIONG EXHORTS RETIRED VETERAN CADRES

OW230009 Beijing XINHUA Domestic Service in Chinese 1417 GMT 20 Apr 84

[Text] Beijing, 20 Apr (XINHUA) -- Comrade Song Renqiong has suggested that veteran comrades, after retirement, do more social work, especially among young people and children, and take exemplary action to inspire the younger generation and exert a favorable influence on youth, in order to inherit and carry forward the fine tradition and work style of the party.

In his article entitled "Inspire the Younger Generation, Exert Favorable Influence on Youth," in the fourth issue of ZHONGGUO LAONIAN [CHINA'S ELDERLY PEOPLE] magazine published on 19 April, Song Renqiong said: The older generation's exploits and achievements are great. Yet the task to be shouldered by trail blazers of the new generation is both more difficult and magnificent. Their historical task requires them to have strong communist convictions and an indomitable revolutionary spirit. They must also have greater intelligence and a more resolute, innovative spirit. This requires that the whole party and society make joint efforts to implement measures in various fields to help the new generation obtain a sound foundation in political ideology, cultural and scientific knowledge, and march forward on the healthy path of development, thus enabling them to shoulder the heavy historical task. He hoped that more veteran comrades would get acquainted with young people, make friends with them, and talk with them in an equal, comradely attitude on various questions, in order to exchange ideas and deepen understanding between the old and young generations. He also hoped that veteran comrades would use their own experiences and what they have learned from them in explaining to young people the history of revolutionary struggle and in lecturing them on the line, principles, and policies of the party.

Song Renqiong said: Young people are superior to old people in many ways. By making friends with young people, veteran comrades can learn from them, be affected by their youthful spirit, and enrich and rejuvenate their later years. On the other hand, young people still have shortcomings. Veteran comrades should patiently guide and help them gradually mature, through practical training. For the small number of backward young people, veteran comrades should, with heartfelt enthusiasm, do a good job in reforming them, in order to help them catch up with, not fall behind, their times.

Song Renqiong also pointed out: Education of preschool children has a good bearing on the growth of the younger generation. We should pay much attention to it. He hoped that party committees and departments in charge of veteran cadres' work at all levels would make active efforts to create the necessary conditions for veteran comrades to work with youth and children.

#### VETERAN CADRES TO ADVISE NATIONAL COMMITTEE ON AGING

OW201115 Beijing XINHUA Domestic Service in Chinese 1315 GMT 19 Apr 84

[By reporter Chen Yan]

[Text] Beijing, 19 Apr (XINHUA) -- Yu Guanghan, chairman of the Chinese National Committee on Aging, announced at a press conference today that 25 veteran comrades of noble character and high prestige have been invited to act as advisers to this committee. These veteran comrades are Yu Qiuli, Song Renqiong, Wang Shoudao, Xiao Ke, Duan Junyi, Cheng Zihua, Hu Juewen, Zhu Xuefan, Hu Yuzhi, Kang Keqing, Zhuang Xiquan, Xiao Hua, Fei Xiaotong, Kong Yuan, Zhao Shouyi, Liu Jianzhang, Gu Dachun, Qian Xinzong, Rong Gaotang, Gao Dengbang, Huang Zhen, Yang Shaozeng, Lian Guan, Xue Muqiao, and Peng Youjin.

At the press conference held at the Great Hall of the People, Yu Guanghan relayed the views expressed by Nie Rongzhen, honorary chairman of the Chinese National Committee on Aging. Nie Rongzhen expressed his hope that, through publicity work, the whole society will be aroused to have concern for problems related to old people and all people will come to fully understand the significance and urgency of studying problems on aging. Nie Rongzhen stated that China is a big country with the largest population in the world, and since China is socialist power, it ought to give better care to old people and do better in solving the problems related to old people.



The Chinese National Committee on Aging was set up in 1982. Yu Guanghan said that permanent organizations of committees on aging have been set up in Tianjin and Shanghai Municipalities, Heilongjiang and Guangdong Provinces, and Nei Monggol Autonomous Region. Other provinces, autonomous regions, and municipalities are preparing to do the same. The Chinese National Committee on Aging is now making preparations to set up the Chinese Old People's Fund, the Chinese Elderly People's Activity Center, and the Chinese Elderly People's General Company for Commerce and Industry. He said that a new prospect has been opened in China's care for the elderly.

LECTURE VIEWS CADRE SUCCESSION, 3 TYPES OF PEOPLE

OW230128 Beijing Domestic Service in Mandarin 2315 GMT 19 Apr 84

[Radio lecture: "Succession of Old Cadres by New Ones Is Necessitated by Social Development" by (Wang Shulong) and (Xu Yali) -- 17th in the series of studying the philosophical thought in the "Selected Works of Deng Xiaoping"]

[Excerpts] While setting up the party's ideological and political lines to change the focus of the party and state work, Comrade Deng Xiaoping particularly stressed the need to further resolve the question of the organizational line of our party. He said that implementation of the ideological and political lines must be guaranteed by a correct organizational line, and that we should select and train successors and see to it that all old cadres in the country are succeeded by new ones. He believes this is a matter of strategic importance and a task in which our destiny is concerned.

Why is the succession of old cadres by the new so important? We will discuss this question from the following three angles:

1. The succession of old cadres by the new is an inevitable law of the development of history. Old cadres have a subjective desire to do more work for the party and people, while the people hope that these old cadres, who have done meritorious deeds for the state and people, will continue doing beneficial things for the party and people by utilizing the valuable experience they have accumulated through their long period of work. However, there is an inviolable natural law. The natural law referred to here by Deng Xiaoping is the supersession of the old by the new, a general law of the universe. This law states that the old and feeble are always superseded by the newborn, thus resulting in the continuous improvement of the physical world and human society. In this sense, the supersession of the old by the new means growth, progress, and development. To preserve its vigor and vitality and to be always in high spirits, our cadre ranks should also have such supersession, which is realized mainly through the succession of old cadres by new ones.

2. The succession of old cadres by new ones is an objective need of socialist modernization. Our present cadre ranks are far from adequate to meet the requirements of our modernization program. There are two principal problems. First, they do not have sufficient education or knowledge. Of the 21 million cadres on all fronts throughout the country, only 20 percent are college graduates or have an equivalent educational background. In certain provinces the rate of such cadres is rather striking, especially in the leading bodies of various levels. Among leading cadres at and above the prefectural and provincial levels only a very small proportion are under 50. This state of affairs, if not corrected promptly, is bound to have an adverse effect on our modernization program. Comrade Deng Xiaoping has proposed that thousands upon thousands of outstanding cadres be selected and promoted and old cadres be succeeded by new ones so as to make our cadre ranks more revolutionary, younger in age, better educated, and more professionally competent. This proposal is the only correct and effective way to solve the above problems.



It meets the urgent objective of our country in carrying out its modernization program. He has made all-out efforts to advocate this practice.

3. The succession of old cadres by the new is an organizational measure to ensure the implementation of the party's correct political line. As Comrade Deng Xiaoping has pointed out, the question of personnel is principally a question of the organizational line. Now the question that we have so far not solved is the question of the organizational line, a question of great importance. Its solution depends on the succession of old cadres by the new.

Today there are still many people in society who are opposed to the party's ideological and political lines. Most of them benefited during the 10 years of turmoil. They yearn for the past, and their thinking is basically that of Lin Biao and the gang of four. They ostensibly appear very obedient and are adept in important positions and become successors to carry on our cause. However, once they have power, they will negate our party's correct political line, bringing about regression in history. For this reason we should never promote the "three types of persons," not even a single one of them. Since these people are good at distinguishing themselves and there certainly exists the danger that they will hold power, we should in no way take this matter lightly.

In solving the issue of the organizational line, the biggest and also the most difficult and urgent task is to select good successors. It is imperative for us to select those with both ability and political integrity to fill positions in various leading bodies by following the mass line and complying with the four requirements in selecting cadres, that is, more revolutionary, younger, better educated, and more competent professionally.

Since its 12th national congress, our party has smoothly carried out the work of new cadres succeeding the old at the highest level of leadership. This work has provided successful experience to be used in having new cadres supersede old ones throughout the country and has testified to the correctness of Comrade Deng Xiaoping's theory in this regard.

Of course, the work of having new cadres succeed old ones has just begun. As long as we carry out the work with a revolutionary attitude and in an active, reliable way, as required by Comrade Deng Xiaoping, we can expect that a new era with a galaxy of talented people will soon arrive.

#### LEADERS SHOW CONCERN FOR STUDENTS ABROAD

OW240209 Beijing XINHUA Domestic Service in Chinese 0730 GMT 20 Apr 84

[Newsletter by XINHUA reporter Yang Jianye: "They Keep the Motherland in Their Hearts -- the Style of Today's Students Studying Abroad"]

[Excerpts] Beijing, 20 Apr (XINHUA) -- Since 1978, China has sent 18,000 students to study at government expense in 54 countries on 5 continents. Some 7,000 have returned home and 11,000 are still studying abroad.

Allowing students to study abroad at their own expense is another way to cultivate useful people for the country. Some 7,000 are now studying abroad at their own expense.

As early as shortly after the smashing of the "gang of four," Comrade Deng Xiaoping proposed that China send students to study abroad. The party Central Committee then formulated a policy of sending large numbers of students to study abroad.

Comrade Hu Yaobang gladly pointed out in his New Year-Spring Festival greeting message to students abroad that it is unprecedented that China has so many students studying abroad. He said: We have high expectations of students abroad, hoping that after their return from foreign countries they will become the fresh force for the motherland's socialist modernization and the pillars of our country in the early 21st century.

Comrade Zhao Ziyang said: All students studying abroad, either at government or personal expense, are sons and daughters of the motherland. The state treats them equally, without discrimination, and has high hopes for them. The motherland and the people earnestly hope that they study devotedly and efficiently, strive to scale the world's scientific heights, return with immense gains in knowledge, and live up to the people's high expectations.

Comrade Peng Zhen expressed the eager hope that the students abroad are fully aware of their lofty duties to themselves, history, the motherland, and the people; that they are keen and good at learning at every opportunity and under all available conditions so as to obtain useful knowledge in all fields that suits the needs of the motherland at the present time; and that after their return they will devote the prime of their life as well as their talent and wisdom to the building of a modernized socialist motherland with a high degree of civilization and democracy.

Comrade Deng Yingchao expressed her hope that the students abroad learn from the patriotism of the older generation and study diligently and painstakingly so as to live up to the hopes and trust of the motherland and the people. She also bade them to make friends with and respect the people of all countries, modestly learn from them, and mix with them with warmth, as equals, and without discrimination so as to demonstrate the Chinese nation's lofty moral mentality while making friends with the people of all countries and promoting friendship among them.

During the New Year and Spring Festival period, the party Central Committee and State Council sent a greeting group to visit students studying in the United States and Canada. In return, the group brought back information on the true condition of the 7,000 sons and daughters of the motherland studying there.

This reporter recently interviewed the members of this group, members of the department in charge of affairs concerning students studying abroad, and cadres taking care of students studying in the United States, Canada, Japan, France, Belgium, Switzerland, and Sweden. They are of the opinion that the absolute majority of the students studying abroad, either at government or private expense, and those who have returned home have the motherland uppermost in their minds and strive for the revival of China.

Before its departure the greeting group reported to Wang Zhen, member of the Political Bureau of the CPC Central Committee, on its preparations. After having listened to its report, Comrade Wang Zhen said with great delight: It is unprecedented in our party's history that four of our central leading comrades have chosen to talk to comrades studying abroad. This fully shows the cordial concern of the party and the state for them. He also emphasized: In recent years the party Central Committee has paid great attention to knowledge and to intellectuals. It is an important policy to send intellectuals abroad. This is investment in the development of intellectual resources. This will greatly help elevate our country's scientific and technological level.

Comrade Wang Zhen said: It is a great glory to study for the country's prosperity in future and for the four modernizations. How well Comrade Wang Zhen has put it!

Our great motherland is cordially concerned for the students studying abroad and these students love the motherland ardently and boundlessly.

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"Motherland," what a great and sacred word! Motherland is more important than anything else in the minds of the students abroad.

CIRCULAR ISSUED ON MILITARY ACADEMY ENROLLMENT

OW231435 Beijing XINHUA Domestic Service in Chinese 0128 GMT 22 Apr 84

[Excerpt] Beijing, 22 Apr (XINHUA) -- PLA military academies will enroll more than 10,000 high school graduates from various localities in 1984. In this connection, the Education Ministry and the PLA General Political Department recently issued a joint circular calling on all provinces, municipalities, autonomous regions, and PLA units to do a good job in enrolling new students this year by strengthening the leadership over the enrollment work of military academies and encouraging students to apply for admission.

The circular says: In enrolling new students, all military academies, except for aviation schools, must join the national unified entrance examination to institutes of higher learning and follow the "1984 Regulations Concerning Enrolling New Students in Institutes of Higher Learning" issued by the Education Ministry, in addition to a few new regulations concerning the qualifications of applicants and the criteria for enrolling them, which have been made in accordance with the actual situation in enrolling new students at military academies in recent years.

Competence To Be Stressed

OW231453 Beijing XINHUA in English 1443 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- Chinese military academies will enroll more than 10,000 high school graduates this year, according to a circular issued jointly by the Ministry of Education and the General Political Department of the People's Liberation Army. National exams must be passed by all except those applying for admission into aviation schools. Medical check-ups are required. All applicants must be under 20, the circular said.

Top army leaders have since last year stressed the importance of having officers who are younger, better educated, and more competent in the technical fields. The key to getting such officers lies in military schools. They also said the army should drop the practice of selecting officers mainly from the infantry, which is the main force of the army.

SECOND NATIONAL SELF-STUDY MEETING SCHEDULED

OW230210 Beijing XINHUA Domestic Service in Chinese 1535 GMT 20 Apr 84

[Text] Beijing, 20 Apr (XINHUA) -- A decision was announced by the CYL Central Committee, the China Association for Science and Technology, and the Ministry of Education in a joint circular issued today that the Second National Meeting to Exchange Experience in Promoting Self-Study Among Youth will be held in November of this year in Beijing. The meeting will award 190 outstanding self-study youths and commend a number of advanced units in promoting self-study among youths as well as some public figures who have offered warmhearted help to such young people.

The circular noted that an upsurge in self-study has swept the ranks of young people in China since the First National Meeting to Exchange Experience in Promoting Self-Study Among Youth was held in December 1981.



There have emerged large numbers of outstanding self-study youths who are not only able to apply the knowledge they have acquired in practice, but also to attain prominent results with it. In addition, most localities in China have put into effect an examination system under which youths can get recognition of the college-level scholastic attainments they have reached through self-study. In some localities there are also guidance (information) organizations set up for self-study youths. The purpose of holding the second national meeting on self-study is to encourage all young people to redouble their self-study efforts in order to do their share in the motherland's four modernizations drive.

The circular stipulated that representatives of self-study youths to the scheduled meeting must be under 35 years in age, have attained a scholastic level equivalent to that of a college education, and have been able to apply the knowledge acquired through self-study and achieve remarkable results thereby. They may also be the ones who, although yet to attain the college level through self-study, have made major inventions and innovations or authored influential theses, articles, or books in certain fields of natural or social sciences. Representative public figures to the meeting will be those who have done remarkably well in providing instruction and assistance to the self-study youths or offered funds or facilities in support of self-study activities that have yielded good results.

#### REGULATIONS ON PRODUCTION LICENSES ISSUED

OW211301 Beijing XINHUA Domestic Service in Chinese 0806 GMT 18 Apr 84

[Text] Beijing, 18 Apr (XINHUA) -- To strengthen quality control of products and ensure the quality of major industrial goods, the State Council recently promulgated "Regulations on Production Licenses for Industrial Products Under Trial Implementation" and notified all localities to implement them.

The regulations stipulate that enterprises are qualified to produce industrial goods after they have obtained production licenses. Production of products that are subject to state planning should be organized in accordance with the state plan. Unlicensed enterprises are not allowed to produce these products, and economic planning departments at all levels must not arrange production plans or provide raw materials, energy, or production capital. Enterprises must meet the following conditions in order to obtain production licenses: They must have business licenses issued by industrial and commercial administrative departments; the product whose license is under application must be up to the standards currently required by the state for its trade; the product must have accurate, complete blueprints and technical papers, which are approved in accordance with prescribed procedures; they must have production equipment, technology, and metrological and inspection measures to ensure the quality of the product; they must have adequate professional and technical personnel, skilled workers, metrologists and inspectors who can ensure product quality and normal operation and can carry out production, experiments, and tests in strict accordance with the blueprints, production technology, and technical standards; and they must set up effective quality control procedures in the course of production.

The regulations point out that relevant departments in charge of the administration of products should decide the term of the license on the basis of the characteristics of products. Expired production licenses, as well as those which are not overdue but for which the current state and trade standards have been changed, should be reexamined and reevaluated. Relevant administrative departments and local economic commissions should strengthen routine supervision over enterprises that have acquired production licenses through regular checks and irregular spot checks. Products that are produced under license must have production license numbers and issuance dates indicated on the packages.



Enterprises that have acquired production licenses will forfeit their licenses if any of the following circumstances arises: produce quality drops, failure to meet the conditions required by the regulations is discovered in reexamination, technical standards fall without authorization, or production license or brand name is transferred for use by other enterprises. Licenses for those products the state has decided to eliminate or has ordered production halted on should be cancelled or recalled. When production licenses are cancelled, enterprises must return the licenses to licensing units, stop producing or selling these products, and report to the State Economic Commission in a unified way through licensing units.

The regulations also provide that no unit or individual is allowed to counterfeit, transfer, or make fraudulent use of others' production licenses. Units in charge of issuing licenses and their functionaries must strictly implement the regulations and other relevant stipulations, be realistic and impartial, and refrain from engaging in malpractices for selfish ends and offering or accepting bribes. Violators will be punished in accordance with law. Among the industrial goods produced when licensed, new products for nationwide marketing, as well as old products whose composition, performance, material, quality, and technical characteristics are markedly improved may be exempted from licensing before they are officially put into mass production. Products whose production licenses were issued by relevant departments in accordance with regulations promulgated by the State Council in the past may be handled in accordance with the existing regulations.

#### STATE COUNCIL ISSUES CIRCULAR ON BONUSES

OW240327 Beijing XINHUA Domestic Service in Chinese 0912 GMT 20 Apr 84

[Text] Beijing, 20 Apr (XINHUA) -- The State Council has decided that after some experiments state enterprises may gradually lift the "ceiling" on bonuses and at the same time make bonuses taxable.

In a "Circular on Relevant Questions Concerning the Bonuses Issued by State Enterprises," issued on 16 April, the State Council says: With the second phase of substituting tax payment for profit delivery by state enterprises, the relations of distribution between the state and enterprises, and the economic responsibility of enterprises to the state will become more clear and definite. This improvement will create the necessary conditions for enterprises to adopt various responsibility systems, integrate the material interests of the workers and staff members with the enhancement of the economic results of the enterprise, overcome egalitarianism in the issuance of bonuses, and lift the "ceiling" on the bonuses. In order to promote the system of economic responsibility among enterprises and arouse the enthusiasm of enterprises and their workers and staff members for developing production and improving economic results, a circular on relevant questions concerning the issuance of bonuses is hereby transmitted as follows:

1. The issuance of bonuses should be linked with the economic results of the enterprise. After an enterprise has fulfilled the state plan in an all-round way and has increased its tax payment and profit delivery to the state, it may lift the "ceiling" on the bonuses it issues. After an enterprise has fulfilled the state plan and delivered a smaller amount of taxes and profits to the state than in the previous year, it should properly reduce or suspend bonuses.
2. In order to control the excessive increase in consumption funds in consideration of the overall situation, bonuses should be taxable after the "ceiling" is lifted.

All bonuses issued by an enterprise should be accounted for in its annual total of bonuses and should be taxed according to the excess progressive tax rules, with the exception of bonuses issued as invention prizes, prizes for saving the ten designated raw and processed materials, prizes for making rational suggestions on technical innovation, and prizes for expediting the loading and unloading of foreign ships. (Footnote: The prize for expediting the loading and unloading of foreign ships is a gratuity paid by foreign ships to our harbor authorities for completing the loading and unloading ahead of the contracted time, thus enabling them to leave our ports sooner. The total annual bonuses received by a person from an enterprise are not taxable if they amount to less than 2 1/2 months of his basic wage. If the bonuses amount to less than 4 months' wages, a 30 percent tax will be levied on the portion in excess of 2 1/2 months of his wages. If the bonuses are less than 6 months' wages, a 100 percent tax will be levied on the portion in excess of 4 months' of his wages. If the bonuses exceed 6 months' wages, a 300 percent tax will be levied on the portion in excess of 6 months' of his wages. The bonuses issued to mining, transport, and construction workers are not taxable. The bonus taxes are paid by the enterprises, not by the recipients. The bonuses should be drawn from the reward funds for the workers and staff members of an enterprise. Specific tax regulations will be formulated by the Ministry of Finance, submitted to the State Council for approval, and then put into force.

3. Enterprises have the power of decision with regard to the issuance of bonuses. From now on, the state will mainly control the total amount of wages (including bonuses) of enterprises. Enterprises will decide the form of bonuses according to their specific situation. They may issue bonuses according to work point, or in the form of floating wages or piecemeal wages for above quota jobs. They may also issue fewer bonuses and use the money to promote a portion of the workers and staff members or to reform their wage structure. The additional portion of the wages should henceforth be funded by the enterprises and should not be accounted for in cost or overhead budgets. No matter what form of bonus is adopted, we must integrate the issuance of bonus with the implementation of the economic responsibility system of the enterprise; resolutely overcome egalitarianism in the issuance of bonus; and display a spirit of encouraging the advanced, rewarding the diligent, and punishing the lazy; and pay according to work while rewarding above-quota work.

After the bonuses are drawn, the remainder of the reward fund for workers and staff members, funds that are retained by the enterprise in accordance with regulations, may be carried over to subsequent fiscal years. Its use should not be diverted by any department.

4. We should improve the management in the issuance of bonuses. The departments in charge of enterprises should work in conjunction with the Finance Department to appraise and decide the proportionation of various funds of an enterprise derived from its retained, after tax profits. The proportion should be set on the principle of using a large portion of retained profit in production, while using a small portion of it for welfare and bonuses for workers and staff members. The enterprise should establish its production development funds, new products development funds, worker and staff member welfare funds, staff member reward funds, and reserve funds according to the proportions approved by the higher level authorities. The bonuses issued by an enterprise should be drawn from its worker and staff member reward funds. It must adhere to the principle that the worker and staff member reward funds be established first, before bonuses are issued. It is not permitted to divert the use of the production development funds, new products development funds, the worker and staff member welfare funds, or reserve funds for the purpose of issuing bonuses.

The departments in charge of enterprises and the labor and personnel, finance and tax, auditing, and banking departments should supervise the enterprises with regard to the legitimacy of the sources of bonus.

They should support the issuance of bonuses by the enterprises in accordance with state regulations, and ensure taxation of taxable bonuses (including bonuses in kind).

To lift the "ceiling" on the bonuses issued by enterprises is an important reform that must be undertaken seriously and well. After this circular is transmitted, the mining, transport, and building industries may practice it first. Other trades and professions may experiment it at selected enterprises that have strong leading bodies, are operating normally, and are practicing sound economic responsibility systems. The ceiling on bonuses should phase out substituting tax payment for profit delivery. As commercial enterprises have extremely close relations with consumers and are different from other enterprises, a small number of them may be selected to lift the bonus ceiling on an experimental basis. Strict rules should be set to prevent enterprises from violating the interests of consumers. The practice should be gradually popularized among other commercial enterprises after experience is gained. This circular is applicable to all state enterprises, including the large and medium enterprises that are trying out progressive profit contracts with the approval of the state, and those enterprises practicing various systems of sole responsibility for their own profits or losses. Institutions will continue to follow existing regulations governing the issuance of bonuses, and separate instructions on the reform of their bonus issuance will be transmitted later, after completion of the relevant investigations and studies.

#### PEASANT BUYS ULTRALIGHT AIRCRAFT FOR COLLECTIVE

OW201927 Beijing XINHUA in English 1624 GMT 20 Apr 84

[Text] Zhengzhou, April 20 (XINHUA) -- Guo Yuanying in Henan Province, central China, has become the first individual Chinese peasant ever to buy an aircraft. Guo, a well-off peasant in the suburbs of Zhengzhou, capital of Henan Province, will present the "Bee-3" ultralight plane worth 19,500 yuan (about 9,750 U.S. dollars) to the Gouzhaio township government. An agreement for the purchase of the aircraft was signed with the Beijing Aeronautical Engineering Institute on April 16. The township government has decided to commend Guo Yuanying and will send three peasants to the institute to be trained as pilots and build an airport. The plane will be used to spray pesticides and fertilizers on local fields. Asked why they should buy a plane for the collective, Guo's family members answered: "We'll feel very happy if we can do something good for the collective." Guo Yuanying, 37, and his family members set up a textile accessory factory last year to supply products to 20 factories in 14 provinces, municipalities, and autonomous regions. His factory turned out products worth 40,000 yuan in 1983, paid 3,000 yuan in taxes to the state, and made a net profit of 15,000 yuan (about 7,500 U.S. dollars).

#### COMPUTER-CONTROLLED SHIP LAUNCHED IN SHANGHAI

OW201449 Beijing XINHUA in English 1431 GMT 20 Apr 84

[Text] Shanghai, April 20 (XINHUA) -- A computer-controlled ship was launched at the Shanghai Jiangnan Shipyard today. The 12,800-ton "H2146" vessel -- 161 meters long and 25 meters wide -- can carry 700 standard containers and cruise at a speed of 17.6 nautical miles per hour. With a 13,200-horsepower main engine, it can sail from Shanghai to any other port in the world without refueling. The main engine, generators, boilers, and other equipment are all controlled by computers. The ship was designed and built by the Jiangnan Shipyard in cooperation with the China Marine Engineering and Ship Design Institute.



ANHUI'S HUANG HUANG MEETS COUNTY REFORMER

OW221434   Beijing XINHUA Domestic Service in Chinese 1150 GMT 19 Apr 84

[By XINHUA reporters Tian Xuexiang and Jiang Zhimin]

[Excerpts] Hefei, 19 Apr (XINHUA) -- Secretary Huang Huang and Deputy Secretary Yang Haibo of the Anhui Provincial CPC Committee met with Xia Dinghu, a township enterprise reformer, on 16 April to show their personal support for his reform. During the meeting, they pointed out: At present leading cadres at various levels must change their soft and inert attitude in the face the pernicious "leftist" influence and wholeheartedly support reformers.

Xia Dinghu is manager of the Ningguo County hydraulic sealant plant. Since the convening of the 3d Plenary Session of the 11th CPC Central Committee, fearless of suppression and attacks he has proceeded from the special characteristics of the township enterprises in conducting a series of reforms in the management system of the enterprise and won the recognition and support of responsible persons of the country, prefecture and province. The XINHUA NEWS AGENCY recently reported his deeds to the whole country. Cadres and the masses of Anhui Province are now studying his spirit of innovative reforms.

After listening to Xia Dinghu's tentative ideas on the next reform, Huang Huang said: We should create conditions for your reform and help you upgrade the level of science and technology and management of the enterprise. Addressing comrades from the propaganda and theoretical circles who were present at the meeting, Huang Huang and Yang Haibo said: Reform is an inevitable trend of history. Those of you in theoretical circles must not alienate yourselves from reality and must be in close unity with the reality of reform and explore and research a series of theoretical economic questions emerging in the present stage in our country in order to promote the healthy development of reform.

XU SHIYOU, HAN PEIXIN ATTEND NANJING CELEBRATION

OW240421   Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 23 Apr 84

[Excerpts] Over 3,000 army men and people of Nanjing gathered at the Great Hall of the People to celebrate the 35th anniversary of liberation of Nanjing.

Attending the meeting were Xu Shiyu, vice chairman, and Jiang Weiqing, Liun Shunyuan, Hui Yuyu, Nie Fengzhi, Du Ping, and Tang Liang, members of the Advisory Commission of the CPC Central Committee; responsible persons of the Nanjing Military Region Xiang Shouzhi, Guo Linxiang, Zhang Ming, Tang Shudi, Wang Zibo, Wang Jingmin, Li Baoqi, Zhang Yuhua, Wu Shihong, Zhou Deli, Wei Jinshan, and Chen Hui, (Huang Jifu), the Central Military Commission's liaison person stationed in the Nanjing Military Region; Zheng Zhubo, (Zhu Ming), (Zhang Jifan), Zhen Shen, and Yue Dewang, responsible persons of the air force of the Nanjing Military Region, notable military academies, and the Jiangsu Provincial Military District; responsible persons of the Jiangsu Provincial CPC Committee, the Standing Committee of the Jiangsu Provincial People's Congress, the Jiangsu provincial government, and the Jiangsu Provincial CPPCC Committee including Han Peixin, Shen Daren, Gu Xiulian, Zhou Ze, Liu Lin, Chu Jiang, and Qian Zhonghan, (Chen Xiuliang) and (Wang Mingyuan), responsible persons of the Nanjing City CPC Committee before liberation, Wang Bingshi, (Chen Weigao), (Liu Ping), Zhang Yaohua, (Ge Deshi), Xu Zhi, (Liu Feng), (Ba Lin), and (Zhang Chenhuan), responsible persons of Nanjing City.

The meeting was presided over by (Chen Weigao). Zhang Yaohua, mayor of Nanjing, made a speech. At the end of the meeting, literary and art workers, of Jiangsu Province, Nanjing City, and the Nanjing Military Region presented good song-and-dance and quyi programs.

#### JIANGSU LEADERS OPEN NANJING MARTYRS' CEMETERY

OW231101 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 22 Apr 84

[Excerpts] The Jiangsu Provincial and Nanjing City CPC Committees and the Nanjing Military Region held a ceremony at the Yuhuatai Martyrs' Cemetery on the afternoon of 22 April to inaugurate the construction of a memorial hall for martyrs.

Attending the ceremony were members of the Central Advisory Commission Jiang Weiqing, Liu Zhenyuan, Hui Yuyu, Nie Fengzhi, Du Ping and Tang Liang; responsible comrades of the Nanjing Military Region Xiang Shouzhi, Tang Shudi, Wang Zibo and Li Baoqi; and provincial and Nanjing City responsible comrades Han Peixin, Gu Xiulian, Chu Jiang, (Cheng Weigao), Zhang Yaohua, Liu Feng and Zhang Chenhuan, as well as representatives of the PLA units stationed in Nanjing and from other circles, totaling some 200 persons.

Before liberation the Kuomintang reactionaries massacred over 100,000 Communist Party members and patriots in Yuhuatai in Nanjing. After the liberation of Nanjing, the party and government built a cemetery to commemorate the martyrs and educate younger generation. In order to bring the role of the Yuhuatai Martyrs Cemetery into better play — in disseminating patriotism and revolutionary tradition, steps have been taken in recent years to expand the cemetery. The floor plan of the memorial hall for martyrs was designed by the renowned Chinese architect, Professor (Yang Tingbao), before he died and was completed by construction specialists of the Nanjing Engineering College, the Nanjing City Design Institute and the Nanjing Landscape Gardening Institute. Comrade Deng Xiaoping personally wrote an inscription for the memorial hall last May. Wang Bingshi officiated at the ceremony. Liu Lin, chairman of the provincial Advisory Commission, spoke.

#### JIANGSU GOVERNOR ADDRESSES SCIENCE WORK CONFERENCE

OW221031 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 18 Apr 84

[Excerpts] A provincewide scientific and technical work conference held by the provincial party committee and the provincial government opened in the Great Hall of the People in Nanjing on the morning of 18 April. Leading comrades in charge of science and technology in all city, county, and provincial departments concerned, responsible comrades of city and county scientific and technological commission and some research institutes, and senior and middle-ranking scientists and technicians, totaling 3,000, attended the conference. Vice Governor Yang Yongyi presided over the conference and delivered an opening speech. Governor Gu Xiulian delivered a lengthy speech.

Discussing the campaign to increase Jiangsu's economic output value for the next 7 successive years, Comrade Gu Xiulian pointed out: We must go all-out to achieve progress every year for the next 7 years, winning one breakthrough after another. She said: Economic work is closely related with the work of science and technology. To win seven successive battles in the campaign, it is necessary to rely on the development of science and technology. Vigorous efforts must be made to promote commodity production in rural areas, speed up the construction of power stations and transport facilities, disseminate technological progress, tap intellectual resources, and intensify the training of specialized personnel.

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In developing intellectual resources, it is necessary to focus attention on effective utilization of existing intellectual resources so that everyone can be assigned a post commensurate with his ability and human resources can be put to best use.

Touching upon the future work of science and technology in the province, Comrade Gu Xiulian said: It is necessary to step up the efforts to map out a long-term scientific and technical development plan. Scientific and technical departments and economic and planning departments should work concertedly so that economic construction, scientific and technical progress, and social development can promote one another in a harmonious manner.

Responsible comrades of the provincial party committee and the provincial government, Sun Han, Ye Xutai, Chen Huanyou, and Qian Zhonghan also attended the conference.



HAINAN ISLAND EXPANDS FOREIGN ECONOMIC COOPERATION

HK240223 Haikou Hainan Island Service in Mandarin 0330 GMT 20 Apr 84

[Text] This year the district has made marked achievements in foreign economic cooperation. From January to mid-April the district signed a total of 15 various economic contracts, a 200 percent increase over the same period last year. The funds and equipment provided by overseas businesses amounted to some \$70 million, an increase of 150 percent over the same period last year.

The signed contracts include guest house construction, transportation, the electronics industry, solar electronic industry, mineral exploitation, the building industry, marine breeding and harvesting, plantations, [words indistinct], the garment industry. All these projects have been carried out. In addition, agreements of intent have been signed with overseas business on some other projects.

Since the beginning of the year there has been an increasing number of businessmen from foreign countries and Hong Kong who have come to discuss economic cooperation. By mid-April, a total of 114 businessmen and entrepreneurs from 33 groups from the United States, Belgium, Japan, France, Canada, Singapore, Britain, Australia, Romania, Hong Kong, and relevant UN organizations have come to the district to make inspections and hold business talks. The business talks were held on a wide range of topics and some involved large priority construction projects. After making inspections, some foreign consortiums believe that Hainan Island has a natural superiority, and the conditions for investment in Hainan are preferential. They are particularly interested in priority projects, such as the exploitation of on-shore petroleum and natural gas in the district, petrochemical plants, [words indistinct], the building of Yangpu port, the expansion of railway and highways, extraction of mineral reserves, and harvesting of aquatic animals and plants. After negotiations, agreements of intent have been signed by the two sides on some projects.

GUANGXI PEOPLE'S CONGRESS 2D SESSION OPENS

HK240309 Nanning Guangxi Regional Service in Mandarin 1130 GMT 23 Apr 84

[Excerpts] The Second Session of the Sixth Guangxi Regional People's Congress opened in Nanning today. The central item on the session's agenda is to discuss economic construction issues and mobilize the people of the region to establish confidence, strive to catch up, work hard to transform the region's economic backwardness as quickly as possible, and rejuvenate Guangxi's economy.

Presidium Executive Chairman Huang Rong presided. Other executive chairmen present were Huang Yun, Ji Baosheng, Chen Huiguang, Qin Yingji, Zhong Feng, Li Yindan, Lin Kewu, Shi Zhaotang, Zhao Mingjian, Wei Zhangping, Gan Huaiyi, Qin Zhenwu, and Zhang Jingning. A total of 772 deputies were present.

Regional Government Chairman Wei Chunshu delivered a government work report consisting of three parts: 1) the basic state of the region's economic and social development in 1983; 2) establishing confidence to strive to catch up, transform economic backwardness, and improve to a medium or better level in the whole country; 3) working to fulfill all the tasks for 1984. Comrade Wei Chunshu said: During 1983, in accordance with the central instructions, we devoted very great effort to handling problems left over from the Cultural Revolution. Under the guidance and help of the central work group, the region did a lot of work and scored very great successes in this respect.

Thanks to the common efforts of the people of all nationalities in the region, new developments were recorded in the national economy.

Total industrial and agricultural output value last year rose by 3.8 percent over 1982. All the 289,000 production teams in the region instituted the production responsibility system of contracts for the household, with payment linked to output. Total agricultural output value increased by 0.6 percent over 1982. Grain output rose by 200 million jin and set a new record. The region has markedly speeded up the progress of shifting agriculture from self-sufficient and semi-self-sufficient economy to relatively large-scale commodity production, and from traditional to modern agriculture. About 60 or 70 percent of the peasant households have started to join the operational or developmental production ranks. There are now 420,000 specialized households and households engaged in specialized jobs. There are 24,000 economic combines of all types. The items they are handling are now gradually developing from field cultivation and animal husbandry to building, processing, services, commodity circulation, and other fields.

In industry we have focused on the following tasks: 1) all-round consolidation of the enterprises and training of their workers; 2) spurring technological advance; 3) vigorously working to reduce deficits and increase profits. Total industrial output value last year was 7 percent higher than in 1982. The progress of key construction work was greatly speeded up. The rate of handing over fixed assets for utilization increased. In finance, much work was done in supporting production, developing the economy, and guaranteeing supplies.

The public security organs, procuratorates, courts, and judicial organs, relying on the masses and working in close concert and cooperation, launched concentrated blows at criminal elements, smashed a number of criminal gangs, and swiftly and severely punished a number of elements who committed grave crimes.

In the struggle to defend the motherland and the borders, the PLA units, People's Armed Police, and militiamen in the region worked together with the people in the border area to resolutely wipe out intruding enemies, thus making outstanding contributions to national security and to defending the smooth progress of the four modernizations.

The party's nationality policies have been further implemented. Planned parenthood work, structural reform, and so on all showed new progress.

Comrade Wei Chunshu said: The achievements of the region's economic work in 1983 were new fruits of the continuous economic development in the region in the more than 30 years since the founding of the state. However, our economic development is slow compared with the whole country and with provinces, municipalities, and autonomous regions that have developed relatively fast. We are still backward. When inspecting our region, the leading central comrade pointed out: Guangxi's industrial and agricultural output value per capita is below the national average, and it lags far behind. He repeatedly urged us to catch up.

Wei Chunshu reviewed the four main expressions of the region's backwardness: 1) low level of production; 2) poor economic results; 3) low financial revenue; and 4) the inability of the peasants to get rich fast. On the causes of backwardness, Chairman Wei Chunshu said: The main causes are our poor industrial foundation. We were slow in starting the development of industry after the founding of the state. In most places agriculture has long been in a state of self-sufficient and semi-self-sufficient natural economy. There has been little diversification. Commodity production has not developed. Fundamentally speaking, however, the causes are subjective. That is, after the 3d Plenary Session of the 11th CPC Central Committee, we did not promptly emancipate ourselves from the bindings of leftist ideology. This affected the speed of the region's economic development. After the plenary session, we failed to seriously take stock of leftist errors in connection with reality. We did not do enough in studying and appreciating the principle of opening up to the world and enlivening the domestic economy put forward by the central authorities.

Our guiding ideology was not clear-cut, and we failed to take any major action. As a result, there are many dead conventions and very few lively methods in our economic work.

In recent years we have grasped the question of taking advantage of our superior features. It is right to do this. Frankly, there have been times when we have thought of enlivening the economy a bit and have issued certain regulations and instituted certain methods for this. However, the moment we encounter problems, we draw back, and dare not continue to forge ahead.

On the outstanding conditions for developing the region's economy and the possibility of attaining the vast goal by the year 2000, Comrade Wei Chunshu said: In accordance with the spirit of the speech of the leading comrade during his inspection of Guangxi, hydroelectricity construction in the region should be linked up with developing the great southwest and with opening up the coastal ports. We should simultaneously build large, medium, and small hydroelectricity projects. In this way we will have motive force for working hard at our mountains and waters.

Chairman Wei Chunshu said: In order to rejuvenate Guangxi's economy and catch up with a medium and higher level in the whole country, we must from now on do a thoroughly good job in all work: 1) We must seriously implement central Document No 1 and develop the rural economy in an all-round way; 2) we must adopt special policies to speed up construction in the mountain areas; 3) we must improve economic results and work hard to reduce deficits and increase surpluses; 4) we must enliven the industrial economy and vigorously develop collective enterprises; 5) strengthen leadership and complete key construction work; 6) strive to develop science and technology education and get a good grasp in exploiting brain power; 7) actively use foreign investment to import advanced foreign technology; 8) promote economic and technological cooperation within the region to draw on the strong points of others to make up for one's own deficiencies; 9) strictly practice planned parenthood and strive to control population growth; 10) strengthen the building of political power and improve work style; and 11) strengthen political and ideological work and promote the building of spiritual civilization.

On the question of using foreign investment to import advanced foreign technology, Wei Chunshu said: The central authorities recently decided to designate Beihai City, including Fangcheng Port, as a coastal city to be opened up to the world. This is extremely advantageous to speeding up the region's economic construction. At present we must seriously do a good job in planning, actively raise capital, and promote infrastructure construction to facilitate the import of foreign investment. We should set up enterprises jointly operated by Chinese and foreigners, cooperative enterprises, and enterprises operated solely by foreign businessmen. At the same time we must transfer specialized talent in all fields to take part in the development of Beihai City, to meet the needs of opening up to the world. We must build Beihai City into a modern city with developed material production and a high degree of civilization, and truly make it a window of technology, management, knowledge, and external policies.

During the opening ceremony, the regional Planning Committee submitted a draft plan for the region's national economic and social development in 1984. In the afternoon (Liu Mingshan), deputy director of the regional Finance Department, delivered a report on the final accounts for 1983 and the budget for 1984.

GUANGXI TO DEVELOP BEIHAI, FANGCHENG PORT

HK240346 Nanning Guangxi Regional Service in Mandarin 1130 GMT 23 Apr 84

[Text] Build the economic development zone of Beihai City, including Fangcheng port, with the speed of Shenzhen, and build it into a Guangxi window of technology, management, knowledge, and external policies, with developed material products and also a highly civilized social atmosphere. This was the demand put forward by a discussion meeting convened by the regional CPC Committee on building the economic development zone of Beihai City, including Fangcheng port, which concluded yesterday.

This meeting lasted 4 days. Leading comrades of the regional CPC Committee, People's Congress Standing Committee, People's Government, and CPPCC Wei Chunshu, Huang Yun, Qin Yingji, and Wang Zhuguang attended. Also present were nearly 100 persons including leading comrades of regional organs and the Beihai City and Fangcheng Port Bureau.

During the meeting, regional CPC Committee Deputy Secretary Huang Yun conveyed the spirit of the forum convened by the CPC Central Committee Secretariat and the State Council on further opening up 14 coastal cities to the world, and delivered a summation. Wei Chunshu, deputy secretary of the regional CPC Committee and chairman of the regional People's Government; Qin Yingji, chairman of the regional CPPCC; and Wang Zhuguang, vice chairman of the regional government, made speeches.

The participants unanimously hailed the proposal of the CPC Central Committee and State Council on further opening up 14 coastal cities to the world. They said: This is an important policy decision of the CPC Central Committee and a measure for further promoting the work of opening up to the world. It is of major significance for attaining the goal of endeavor put forward by the 12th party congress.

The further opening up of Beihai City, including Fangcheng port, is a major affair for the whole party and the 37 million people of our region. They all pledged: We have the resolve and confidence to run this matter well.

Many of the participants put forward good views and suggestions on the question of building the economic development zone of Beihai City, including Fangcheng port. The meeting demanded that on their return home, the participating responsible comrades of Beihai City and Fangcheng Port Bureau first organize the cadres to convey and study the spirit of the meeting, correctly appreciate the central policies, and set to work on the preparatory work for the development zone.

The meeting also decided to set up an office for the economic zone of Beihai City, included Fangcheng port. Under the leadership of the regional CPC Committee, this office will be specifically responsible for the developmental work.



CHONGQING, GUANGXI BECOME FOREIGN TRADE CENTERS

OW212030 Beijing XINHUA in English 1443 GMT 21 Apr 84

[Text] Guiyang, April 21 (XINHUA) -- Chongqing and Guangxi will serve as a window for southwest China in imports and exports, introduction of foreign funds and technology, and collection of information about the world economy. The decision was adopted during a five-day meeting which closed here on April 19. The resource-rich yet economically underdeveloped provinces of Sichuan, Guizhou and Yunnan in southwest China all take foreign economic cooperation as a major measure to boost their economy. Local governments plan to expand exports of minerals, chemicals, machinery and farm and sideline products, while importing equipment and technology to develop natural resources. The provinces' imports and exports were valued at more than 400 million U.S. dollars last year, the meeting was told.

Chongqing in Sichuan now administers 12 counties and its urban and rural population has reached over 13.7 million, making it the largest city in China. It is also the leading industrial and trade center in southwest China. The city is now empowered to hold negotiations and sign contracts with foreign firms after effecting a reform in its management system last year. "Chongqing is ready to cooperate with adjacent provinces in expanding foreign trade and provide services for economic cooperation with foreign firms," Mayor Yu Hanqing told the meeting. The city now trades with 38 countries and regions, with exports totaling 62 million U.S. dollars in 1983.

"Goods from southwest China can be shipped to other countries and Hong Kong and Macao through railways, highways, waterways and ports in Guangxi," said Gan Ku, vice-chairman of the Guangxi Zhuang Autonomous region. Guangxi now trades with 80 countries and regions. Its port city of Beihai was opened to foreign countries recently. Passenger and cargo ship service is already available between Wuzhou in Guangxi and Hong Kong. Construction of the ports of Fangcheng and Beihai is underway. Principal parts of Fangcheng Port's seven deep-water berths have been completed.

Yunnan Province will entrust Chongqing and Guangxi to handle its imports and exports in the future, said an official of the provincial planning department. Apart from state investment, both Chongqing and Guangxi seek funds to be raised by local authorities in southwest China to build ports and other transport projects. Some letters of intent on cooperation were reached at the meeting.

FURTHER ELIMINATING LEFTISM IN GUIZHOU URGED

HK231046 Guiyang Guizhou Provincial Service in Mandarin 1230 GMT 21 Apr 84

[Text] The second enlarged meeting of the party group of the provincial government, which was held yesterday afternoon, stressed that it is necessary to further eliminate leftist remnants and influences during party rectification, further emancipate our minds, push forward the reform, and enliven the economy so that neither party rectification nor economic work will suffer.

The meeting reviewed the achievements and experiences gained in party rectification since the first enlarged meeting. It held that the situation of party rectification in the provincial government and various government departments over the past more than 2 months is basically good. The party group has made a careful study of the criticisms and suggestions made by the last enlarged meeting and solved the problems respectively. Some of the eight tasks put forward by that meeting have already been fulfilled, while some are still being carried out. Generally speaking, the situation is developing healthily.

The meeting held that on the questions of principle, such as eliminating leftist remnants and influences and maintaining political and ideological unanimity with the CPC Central Committee, there is already a good beginning. However, we must also see clearly that this is only a preliminary step. We have only gained a preliminary understanding of some questions, and we are still ignorant of some other questions. Although we have gained a preliminary understanding of some questions and worked out some measures for the reform, they have not been well implemented. There are still great obstructions in developing commodity production, despite the efforts made by some provincial departments in eliminating leftist influences. In many economic and grassroots units at the prefectural and county levels, leftist influences still seriously exist. On the other hand, we still have not overcome weakness and laxity in our ideological and political work as well as in struggling against unhealthy tendencies and bureaucratism. For this reason, we must never slacken our efforts in unifying thinking. Instead, we must make great efforts to continue to eliminate leftist remnants and influences. At the same time, it is also necessary to pay attention to overcoming rightist mistakes and to persist in simultaneous rectification and correction of defects so as to make sufficient preparations for the next stage of party rectification, the stage of rectifying the party's work style.

The meeting pointed out that in the present stage of party rectification it is necessary to firmly grasp the work of eliminating leftist remnants and influences, further emancipate the mind, push forward the reform, and enliven the economy. To attain this aim, it is necessary to conscientiously solve the following seven problems: 1) to gain a clear understanding of the importance and necessity of further eliminating leftist remnants and influences and pushing forward reform; 2) to be bold and good at getting rid of leftist obstructions in developing commodity production; 3) to change the situation of everybody eating from the same big pot in the reform carried out in cities and in eliminating leftist influences; 4) while enlivening the domestic economy, to make positive efforts to implement the policy of opening to the outside world and import foreign funds, technology, and talented people so as to speed up exploitation in our province; 5) to correct the leftist tendency in implementing the party's policies toward intellectuals and place science in a more important position; 6) to correct our ideological line and conscientiously eliminate leftist remnants in implementing the party's policies toward minority nationalities so as to promote the economic and cultural development in nationality areas with special policies and measures based on the realities of these areas; 7) to resolutely reform the work in various government organs, gain a good understanding of the tasks and duties of various departments, establish the system of personal responsibility, cut the number of meetings and documents to a minimum, act in strict accordance with working procedures, and do a good job of investigation and study, so as to ensure smooth progress in the work of eliminating leftist remnants and influences and overcoming weakness and laxity of leadership and smooth progress in the economic reform.

The meeting emphasized that both party rectification and economic development can promote each other. While doing a good job in party rectification, it is necessary to promote production and work. In industrial production, we must strive to fulfill more than 50 percent of the annual production tasks in the second quarter. In agriculture, various relevant departments must improve service in current spring farm work and cooperate with prefectural and county departments.

The system of personal responsibility must be adopted in both party rectification and work groups. When there are contradictions between production and party rectification in time arrangements or there are urgent problems in production, the leading comrades must lead cadres to solve the problems in production first and then continue the party rectification. It is necessary to ensure that neither party rectification nor production suffers.

#### SICHUAN MEETING OUTLINES RECTIFICATION TASKS

HK240348 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 19 Apr 84

[Text] From 12 to 18 April, the provincial Discipline Inspection Committee held a work conference in Chengdu. The conference urged the province's party committees and discipline inspection committees at various levels to adhere to the principle of working for the great undertaking, fully understanding the overall situation, and administering their own affairs. They must submit themselves to and serve the general goal of the whole party as well as the improvement of the province's economic position, by correcting the party work style and strictly enforcing party discipline. They must mobilize all party members to work hard for achieving a fundamental turn for the better in their work style during party rectification.

The conference has made decisions on the major tasks of the province in this year's discipline inspection work by acting in the spirit of the Central Discipline Inspection Commission work conference and in conjunction with the planning of the provincial CPC Committee. The conference held: Party rectification is a great task of the whole party. The discipline inspection committees at various level must strengthen their work and play an important role in accomplishing this great task. In strengthening their work, they must really do well in the party rectification in the light of the requirements decided by the Central Commission for Guiding Party Rectification, and must ensure that they do not carry it out superficially. In playing an important role, the discipline inspection committees at various levels must, under the centralized leadership of the CPC Committee, actively and voluntarily do well in party rectification work in various areas this year. According to the actual conditions of the province, we must emphatically grasp well the work in 3 areas. That is, we must do well in the rectification which is under way of unhealthy practices in building and distributing houses; we must organize a full scale examination of the grassroots work; and we must resolutely stop the malpractices of violating financial discipline, arbitrarily giving bonuses or materials in kind, and spending the public funds on one's private entertainment or on sending gifts, or on one's private trips. We must resolutely rectify the malpractices of taking advantage of one's office for personal gain, and violating policies by turning the agricultural population into non-agricultural population, turning workers into cadres, making the collectives administer units owned by the whole people, and making favorable arrangements for one's children and relatives.

The conference urged the party committees and discipline inspection committees at various levels to strictly investigate and deal with the typical cases of practicing bureaucratism and decentralism. After thorough investigation and clarification of responsibility, we must hold accountable those bureaucrats who shift responsibility onto others, are irresponsible, and who have brought bad political and economic results or have seriously affected people's livelihood and properties. We must punish them in accordance with the party discipline and the administrative discipline. We should have judicial organizations punish by law those who have made serious mistakes because of malfeasance. We must resolutely rectify the departmentalist and decentralist malpractices of ignoring the economic policies of the party and the state, sabotaging the state plans, stealing funds from the state, arbitrarily starting additional projects, evading taxes, and draining profits. We must thoroughly investigate and clarify the responsibility of such cases. We must hold accountable the leader who individually makes the decision, while holding accountable the leading group which collectively makes the decision.



The conference urged the party committees and discipline inspection committees at various levels to continue to implement the decisions of the central authorities, and to regard the struggle of cracking down on serious economic crimes as one of the major works which should be grasped unremittingly. At present, we must regard the work of eliminating the untouched spots and the unleavened dough as the focal point for leading an in-depth development of the struggle. We must continue to grasp firmly and well the handling of important cases.

Nie Ronggui, deputy secretary of the provincial CPC Committee, spoke at the conference. He first pointed out that we must conscientiously act in the spirit of the Central Discipline Inspection Commission work conference. He also put forward some issues to which we should pay attention in our present discipline inspection work: First, we must adhere to the principle of working for the great undertaking, fully understanding the overall situation, and administering our own affairs. We must carry out our work by making arrangements around the party's central task. At present, the party's central task is the economic work. Hence, we must strengthen our discipline inspection work by making arrangements around the economic work. Through the rectification of left and right deviations, we must ensure the implementation of the party's economic reform. Second, we must strictly deal with cases of violating the party discipline and with malpractices. We must uphold the style of seeking truth from facts, and handle personnel matters with great care. Third, we must, in our investigation, grasp our work firmly while referring to the achievement of the organization. Fourth, we must resolutely integrate the disciplinary measures of an organization with the ideological education. Fifth, we must pay attention to grasping the focal point. We must grasp and concentrate our efforts on solving within a specific time, in a specific district, or a specific department the typical unhealthy tendencies, in addition to correcting malpractices and cases of violating discipline.

Xu Mengxia, Standing Committee member of the provincial CPC Committee and secretary of the Discipline Inspection Committee, made a closing speech at the conference. The conference was attended by more than 150 people, including Wang Ao, Standing Committee deputy secretary of the provincial Discipline Inspection Committee; Wang Yichun, deputy secretary of the provincial Discipline Inspection Committee; Standing Committee members and members of the provincial Discipline Inspection Committee in Chengdu; responsible persons of discipline inspection committees in various cities, prefectures, and autonomous prefectures; and responsible persons of discipline inspection teams and discipline inspection committees in various departments directly under the provincial authorities. Also present were the comrades of the Central Discipline Inspection Commission work team.

BEIJING LEADERS COMMEND WORK OF ADULT EDUCATORS

OW220501 Beijing XINHUA Domestic Service in Chinese 1736 GMT 20 Apr 84

[By reporter Liu Peiheng and correspondent Liu Yuan]

[Excerpt] Beijing 20 Apr (XINHUA) -- The Beijing Municipal Worker and Peasant Education Committee and municipal Adult Education Bureau commended 509 adult education workers for their outstanding contributions in painstakingly training qualified persons in the last 3 decades and more. They were issued certificates and souvenir badges today by leaders of Beijing municipal party and government organizations Duan Junyi, Chen Xitong, and Jiao Ruoyu, and by leading comrades of the central departments concerned Zeng Delin, Peng Peiyun, and Pu Tongxiu.

BEIJING MAYOR CUTS RIBBON AT COKING PLANT

OW202124 Beijing XINHUA in English 1449 GMT 20 Apr 84

[Text] Beijing, April 20 (XINHUA) -- A ceremony was held today to begin construction of two new coke ovens at the Beijing Coking Chemical Plant. Mayor Chen Xitong and Vice-Mayor Zhang Baifa attended the ceremony and cut the ribbon.

With a total investment of 150 million yuan (about 75 million U.S. dollars), the two ovens are scheduled for completion in 1985 and 1986. At that time, the plant's daily gas supply will increase from the present 0.8 million cubic meters to 1.4 million. The gas pipeline from the Capital Iron and Steel Company on the western outskirts to the city proper is now being laid and is expected to be completed by July this year. This will increase the city's daily gas supply 27 percent over last year. The laying of a natural gas pipeline to Beijing from the north China oilfield in central Hebei Province will start soon and is expected to be completed within two years. The two coking ovens and the two pipelines have been listed as key projects in Beijing's construction.

Around 900,000 households, or 70 percent of those in Beijing, use pipeline-supplied gas or liquefied petroleum gas for cooking. Coal is still used as fuel for heating and for cooking in many commercial and service trade establishments, offices and institutions. According to the overall plan for the development of Beijing made public last year, the city places gas fuel at the top of its energy development list. In order to improve planning and leadership, the municipal government has set up an office specially in charge of urban gas fuel development, and established a coal gas advisory group composed of seven specialists.

SHANXI OFFICIAL ON ELIMINATING FACTIONALISM

SK240641 Taiyuan SHANXI RIBAO in Chinese 5 Apr 84 p 1

[Excerpt] At the conference on exchanging experience in party rectification of provincial-level and party committees, Comrade Li Xiuren, deputy secretary of the provincial CPC Committee and chairman of the office in charge of party rectification under the provincial CPC Committee, called for some time to concentrate on getting rid of grudges, enhancing unity, and eliminating the vestiges of factionalism.

The conference was held at Hubin Assembly Hall on the afternoon of 3 and the morning of 4 April. Introducing personal experiences at the conference were Zhang Bangying, secretary of the Yuncheng Prefectural CPC Committee; Tong Yun, permanent deputy secretary of the Taiyuan City CPC Committee; deputy director of the Taiyuan City Labor Bureau, former secretary of the party committee of the Taiyuan City Machinery Bureau, and former deputy director of the Taiyuan City Garden Bureau. Some 4,000 persons from the provincial-level organs attended the conference.

In his speech, Comrade Li Xiuren pointed out: The experience of the Taiyuan City CPC Committee in getting rid of grudges, seeking unity, and eliminating the vestiges of factionalism generally and practically has the significance of guiding our province's party rectification work. In line with the guidelines of the "decision" of the CPC Central Committee and our province's actual conditions, the provincial CPC Committee decided to solve the following four problems in the course of party rectification:

- 1) Get rid of grudges, enhance unity, and eliminate the vestiges of factionalism;
- 2) correct the party spirit and thoroughly eliminate the corrosive elements in and out of the party;
- 3) thoroughly eliminate the "three types of persons" and eliminate dangerous elements in and out of the party; and
- 4) upgrade the ideological consciousness of all party members and leading cadres, act highly in unison with the CPC Central Committee, and foster a revolutionary spirit of daring to think, daring to act, daring to create a new situation, and daring to conduct reforms.

He emphatically pointed out: At present, we should get rid of grudges, enhance unity, and eliminate the vestiges of factionalism.

Comrade Li Xiuren specifically analyzed the historical reasons for which the ranks of cadres in our province had harbored many complicated grudges in their hearts during the "Great Cultural Revolution" and historical political movements. He pointed out: These grudges were contradictions between the people and problems of the party. We should understand each other, express regrets, offer apologies, and forget it with a smile. We should conduct self-criticism. We should sum up experience, absorb lessons, but not repeatedly engage in the past "leftist" work style. With regard to the issue on thoroughly conducting investigations, the central authority and the provincial CPC Committee clearly made conclusions. The comrades conducting investigations as well as being investigated should not haggle over personal gains and losses, nor carry ideological burdens. They should hold heart-to-heart talks, eliminate estrangement, and enhance unity.

#### WANG SENHAO AT SHANXI ECONOMIC, TECHNOLOGY TALKS

SK240525 Taiyuan SHANXI RIBAO in Chinese 3 Apr 84 p 1

[Text] This morning colorful balloons were flying in front of the grand Yingze Guest House's Bajiao Building and firecrackers were popping as the Shanxi Provincial International Economic and Technological Cooperative Talks were being ceremoniously opened.

This meeting is the first of its kind in the inland provinces of China. Attending today's opening ceremony were some 150 representatives of more than 81 plants and firms from 14 countries and regions, including, responsible persons and representatives from relevant state departments and fraternal provinces, and leading members of the organizational committee of this meeting.

Also attending today's opening ceremony were Wang Senhao, governor of the Shanxi Provincial Government, Bai Qingcai, deputy governor and chairman of the Organizational Committee of this meeting, Cheng Fei, advisor of the Ministry of Foreign Economic Relations and Trade, Zhang Quan, advisor of the Foreign Investment Administration of the Ministry of Foreign Economic Relations and Trade, Li Changqing, special appointed personnel of the Ministry of Foreign Economic Relations and Trade in Tianjin, Jia Chongzhi and Wang Xi, advisors of the Shanxi Provincial Government, Wang Jiangong, secretary of the Taiyuan City CPC Committee, Gu Wenbo, deputy secretary of the city CPC Committee, and Zhu Xiqi, deputy mayor.



In his opening speech, Bai Qingcai said: Shanxi Province is our country's energy and heavy chemical industrial base. In order to develop energy, enliven the economy, promote international economic and technological cooperation, and create a new situation in Shanxi Province's economic construction, we are sponsoring this meeting and have announced to the public some 150 economic and cooperative items on two occasions. I am very glad that you have traveled a long distance to Shanxi to participate in business talks. We will cooperate with you with a sincere and enthusiastic attitude.

In a speech, Cheng Fei said: At present, our country's scale of importing advanced technologies with foreign funds is not large enough to satisfy the needs of the national economic construction. We still need more foreign funds to import technologies. Recently, General Secretary Hu Yaobang and Premier Zhao Ziyang have clearly pointed out that China's policy of opening to the outside world is not meant to restrict but to continuously give free rein to enterprises. This policy should be protractedly adhered to and be relaxed to a further extent. We sincerely welcome enterprisers and industrialists from various countries to invest in Shanxi and to join in the Shanxi economic construction projects.

After the speeches, Wang Senhao and Cheng Fei cut ribbons for the opening ceremony. After the opening ceremony, all visitors enthusiastically toured the commodity exhibition hall. Since 25 March, before this meeting, some 22 banks from 7 countries and regions have held enthusiastic and fruitful business talks with the Taiyuan Branch of the China Bank.

The organizational committee of this meeting held a reception that afternoon. Deputy Governor Bai Qingcai proposed a toast to warmly greet all personages participating in the business talks. The meeting revealed that representatives from some 100 plants and firms from some 7 countries will participate in this meeting and will arrive in Taiyuan one after another.

#### SHANXI'S LI LIGONG TOURS INDUSTRIAL ARTS HALL

SK210838 Taiyuan SHANXI RIBAO in Chinese 2 Apr 84 p 1

[Excerpt] At 0900 this morning a ribbon-cutting ceremony to mark the inauguration and operation of our province's first industrial arts hall was held in Taiyuan amid the beating of gongs and drums and the popping of firecrackers. Leading comrades of the Shanxi Provincial CPC Committee, including Li Ligong, Li Xiuren, Wang Senhao, and Wang Tingdong, and Luo Guibo, chairman of the provincial Advisory Commission toured and spoke highly of the exhibition.

Attending the ribbon-cutting ceremony were Yan Wuhong, Bai Qingcai, and Guo Yuhuai, deputy governors, and Wang Xi, adviser of the provincial government and chairman of the provincial Economic Commission. More than 8,000 viewers poured into the exhibition and sales hall after Deputy Governor Yan Wuhong cut the ribbon.

REPORTAGE ON JILIN PROVINCIAL PEOPLE'S CONGRESS

## Hears Work Report

SK240339 Changchun Jilin Provincial Service in Mandarin 1030 GMT 23 Apr 84

[Text] According to our reporters, the Second Session of the Sixth Jilin Provincial People's Congress held its third meeting this morning, presided over by Cheng Shengsan, executive chairman of the session. Yang Zhantao, vice chairman of the provincial People's Congress Standing Committee, delivered a work report of the Standing Committee of the provincial People's Congress, in which he stated: Since the conclusion of the First Session of the Sixth Provincial People's Congress in April 1983, the Standing Committee of the Sixth Provincial People's Congress has earnestly implemented the spirit of the 12th CPC Congress under the leadership of the provincial CPC Committee and the spirit of the First Session of the Sixth NPC, and has exercised its lawful duty in regard to legislation, supervision, and personnel change approval. The Standing Committee has also done a great deal of work to accelerate the pace in building the socialist material and spiritual civilizations and to create a new situation in the province's work. Over the past year, the Standing Committee of the provincial People's Congress has formulated and improved some local regulations and rules according to the state Constitution and the provisions concerned; has strengthened the supervisory work over the provincial People's Government, the provincial Higher People's Court, and the provincial People's Procuratorate; has basically completed the electoral work of shift-term deputies at county and township levels throughout the province; has approved a number of personnel changes of local state organs; and has enhanced the work of self-improvement.

In concluding his work report, Yang Zhantao stated: Over the past year, the Standing Committee of the provincial People's Congress has made new progress in its work. As compared with the tasks set forth by the organic law for local congresses, governments, and with the demands of the people, the Standing Committee's work, however, has lagged far behind. Some problems should be carefully studied and practically dealt with. Hereafter, the Standing Committee should take the spirit of the 12 CPC Congress as a guide and the state Constitution as a criterion to unite with the people of various nationalities across the province under the direct leadership of the provincial CPC Committee to earnestly implement the Constitution and to strengthen democracy and legal systems so as to strive to accelerate the pace in building socialist material and spiritual civilizations and to create a new situation in the province's work.

At the meeting, (Wang Hongmo), acting president of the provincial Higher People's Court, delivered a work report of the higher court. Du Ruifu, chief procurator of the provincial Procuratorate, delivered a work report of the provincial procuratorate.

Attending the meeting were executive chairmen of the session, including Li Diping, Cheng Shengsan, Wang Jiren, Dong Su, Renqin Zhamusu, (Liu Shijie), and (Li Huiying). Among those who attended the meeting as observers were all members attending the second session of fifth provincial CPPCC Committee and responsible persons from the departments concerned.

## Zhao Xiu on Livelihood

SK240607 Changchun Jilin Provincial Service in Mandarin 1030 GMT 23 Apr 84

[Text] In his government work report made at a session of the Jilin Provincial People's Congress, Governor Zhao Xiu emphatically pointed out: On the basis of developing production, it is necessary to continuously improve the people's livelihood. He stated: Steadily saturating the increasing material and cultural demands of the people is the fundamental purpose of socialist production and policies.

In 1983, the people in both urban and rural areas increased their incomes and scored obvious improvement in their livelihood. According to the sample investigation data compiled after investigating the living conditions of 720 agricultural households, the per capita net income increased from 333.1 yuan in 1982 to 462.5 yuan in 1983, a 38.8 percent increase over the 1982 figure. They achieved a new improvement in the level of food, clothes, daily necessities, and housing. Rural commune members across the province built 8.84 million square meters of new houses and 127,000 households moved into new homes. The gross wages of staff members and workers in publicly and collectively-owned enterprises surpassed the 1982 figure by 5.4 percent thanks to the pay raise among urban workers. The investment in building new houses for staff members and workers totaled 402.81 million yuan. Housing construction on 2.23 million square meters of floor space was accomplished. In 1983, the province made job arrangements for 194,000 jobless persons. The people in both urban and rural areas deposited 2.52 billion yuan, a 630 million yuan increase over the figure at the end of 1982. Urban public utilities and housing conditions were somewhat improved.

In his report, Governor Zhao Xiu stated: In 1984, we should continuously implement the three-in-one employment principle set forth by the CPC Central Committee in regard to employment through the introduction of labor departments, voluntarily organizing joint-venture business, and opening individual business. We should open more business avenues to fulfill the task of arranging jobs for urban personnel awaiting work. We should also actively improve labor conditions and should do a good job in labor protection so as to achieve civilized and safe production and to prevent vicious accidents. A good job should be done in setting up workers' welfare and insurance systems and conducting managerial affairs related to retired workers. It is necessary to successfully conduct urban and rural construction so as to deal step by step with the existing problems of urban water supply, water drainage, roads, gas supply, heating supply, and traffic. The emphasis of rural construction is to do a good job in mapping out a plan, paying attention to the rational usage of land, actively organizing forces to build more than one storey houses, and in forming a complete set among public projects. The departments concerned should provide more building materials for rural housing construction. A good job should be done in environmental protection and vigorously controlling the major sources of environmental pollution while strictly blocking the new emergence of pollution. Efforts should be made to actively conduct comprehensive treatment among waste gas, water, and dregs so as to create a favorable condition for the production and livelihood of the vast number of the people.

#### Zhao Science-Education Report

SK240157 Changchun Jilin Provincial Service in Mandarin 1030 GMT 22 Apr 84

[Text] In his government work report made at a session of the Jilin Provincial People's Congress, Zhao Xiu, governor of the province, stressed that efforts should be made to actively develop the undertakings of science, technology, and education and to bring into full play the important role of science and technology in economic construction.

He stated: The key to achieving the four modernizations lies in modernizing science and technology. It is imperative to put the program of developing intellectual capability and training talented personnel on the important work schedule of the government. The province scored 99 scientific and technological results in 1983, of which 40 results have been applied. In 1984, the province will further implement the guideline in which economic construction must depend on science and technology must be geared to economic construction, so that production construction can truly follow the progress of science and technology. In 1984, the departments in charge of scientific and technological work and production administration across the province should organize 10,000 scientific and technological personnel to go deep into plants and rural areas and should organize scientific and technological experts to conduct the advisory activities of technology and managerial affairs among enterprises whose annual profits exceed 1 million yuan and among key enterprises that suffered losses so as to assist their production units and specialized households in increasing economic returns and accelerating the progress of science and technology.

A good job on scientific and technological application and development research should be done. Efforts should be made to make a breakthrough in the fields of foodstuff, food industry, the development of Changbaishan mountainous area, the application of micro-computers, the fine processing in chemical industry, and of scientific and technological renovations.

It is necessary to do a good job in continuously implementing the policy on intellectuals, showing concern for intellectuals in the fields of politics, work, and livelihood, and in employing scientific and technological personnel in a rational manner. Efforts should be made to conduct the rational transfer of scientific and technological personnel step by step and in a planned manner so as to enable them to fully play their role and to develop their strong point in building the four modernizations.

Governor Zhao Xiu stated: Education is one of the strategic emphases in developing the economy, which should be successfully carried out as we develop economic construction. The governments at all levels should appropriate as much funds as possible for developing education. It is necessary to improve the student enrollment of junior middle schools in townships and towns by enforcing the system of schooling districts so as to bring into play the enthusiasm of schools in general. A good job should be done in continuously conducting vocational and technical education and steadily upgrading the standard of improving secondary educational structures. It is necessary to actively develop spare-time education in culture among peasants so as to render service for the program of achieving rural modernization and to enable peasants to become wealthy through labor. A good job should be done in conducting teachers' education, including nursery teachers, and in consolidating the teaching contingent so as to upgrade their standards. Meanwhile, it is necessary to integrate higher learning closely with the province's economic construction and to do a good job in readjusting or conducting transformations among higher education institutions so as to further accelerate the development of higher education. A good job should be done in continuously developing television universities, vocational colleges, staff-member and workers' colleges, agricultural, and forestry colleges, correspondence colleges, and evening college classes so as to train more talented personnel for the program of achieving the four modernizations.



GANSU GOVERNOR ON TALENT, ENTERPRISE ISSUES

HK230349 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 21 Apr 84

[Excerpts] Gansu Governor Chen Guangyi said in his government work report at the second session of the Sixth Gansu Provincial People's Congress: An urgent task facing us now is, while bringing into full play the role of existing talent, to step up the exploitation of brain-power and train talent here.

He said: We must continue to implement the spirit of the provincial conference on general education last year, and improve the quality of education. We must strive to attain universal primary education in one-fourth of the province's counties. The number of students enrolled by vocational secondary schools must account for one-fourth of the number enrolled by senior secondary and technical schools by yearend. In future recruitment of workers, priority must be given to graduates of vocational schools. Institutes of higher education must get a good grasp of readjusting their faculty structure and specializations, tap existing potentials, and expand enrollment.

Governor Chen Guangyi explicitly stated in his report: We must focus on four aspects in expanding the decisionmaking powers of industrial enterprises. First, in the power to draw up production plans. Apart from ensuring the fulfillment of the plans handed down by the state, the enterprises should have the power to readjust product orientation and increase output according to market needs. Second, in the power of handling distribution. We should select a number of large and medium enterprises to experiment with contract responsibilities for progressive increase of profits. Small enterprises can institute the method of being owned by the whole people and managed by the collective, with their taxes collected by the state, and with sole responsibility for their own profit or loss. Various wage systems can be experimentally instituted. Third, in the power of jurisdiction of enterprise management cadres. Managers of enterprises where the conditions are right can be appointed, democratically elected, or hired. Managers should be allowed to select their assistants and to organize the enterprise leadership groups. Middle-level cadres in the enterprises should be nominated by the managers. Fourth, the labor system should be made less rigid. Staff and workers can practice the contract system, and come and go.

XINJIANG'S WANG ENMAO WATCHES TV VIA SATELLITE

HK201138 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 19 Apr 84

[Excerpts] With a feeling of immeasurable joy, the army men and people of all nationalities in Urumqi area last night watched television programs of the Central Television Station transmitted through the experimental communications satellite. At 2000, the Central People's Radio Station carried a news item on the successful positioning of China's experimental communications satellite over the equator. The heartening news elated the army men and people of all nationalities.

People sat by television sets to watch the programs of the Central Television Station. At 2040, at the Urumqi ground satellite station, the leading comrades of the regional party and government and the Urumqi PLA units, including Wang Enmao, Xiao Quanfu, Tan Shanhe, Tomur Dawamat, Qi Guo, Li Jiayu, and Janabil, zestfully watched the news hookup of the Central Television Station. The image on the screen was sharp, the color vivid, the lines clear, and the transmission of image stable. Wang Enmao and other leading comrades extended warm congratulations and cordial greetings to the engineering and technical personnel standing fast at their posts in the mechanical room.

PAPER URGES REAGAN NOT TO BETRAY 'OLD FRIENDS'

OW200926 Taipei CHINA POST in English 14 Apr 84 p 4

[Text] The Taiwan Relations Act (TRA), passed by the U.S. Congress to guide and regulate relations between the United States and the Republic of China, just passed its 5th anniversary on April 10, signed by President Jimmy Carter on that day five years ago as a law of the land for the United States. Ever since then, U.S.-ROC relations have been conducted in accordance with the provisions of the TRA or its spirit. It was ironical for Carter, who broke the U.S.'s long-standing diplomatic relations with the Republic of China to please the Chinese Communists, to sign the TRA into law thereby nullifying or reducing to the minimum the harmful consequences of his act of derecognition. As it turned out, the TRA has placed the U.S.-ROC relations on a solid legal basis unprecedented in international relations.

Thus by virtue of that act the substantive relations between the ROC and the United States have been carried out without too much difficulty. Our cultural, economic, trade and other relations prospered during the last five years, far surpassing the extent of the U.S.'s relations with the Chinese mainland. Thus the Republic of China has become the 6th largest trading partner with the United States, enjoying a sizable portion of our 1983 foreign trade of U.S. \$45 billion. Moreover, the United States has provided the Republic of China with some limited amount of military weapons, equipment and replacement. It has refused so far to grant us sophisticated planes and other equipment needed for our defense to counter the Chinese Communist threat of seizing Taiwan by force or other means.

The Chinese Communist regime has been objecting to the United States' implementation of the TRA and attempted to cancel it, subvert it or reduce its application. As a result of Peking's insatiable demands, the United States unfortunately signed the August 17 joint communique contradictory in many aspects to the TRA. It was most unfortunate that President Ronald Reagan was hookwinked into signing such a document contrary to the law of the land. But if the Reagan administration could minimize its application, there is yet time to remedy the situation.

It is high time for the U.S. Congress to review the implementation of the TRA as provided by section 14 of the TRA. It should correct whatever abuses committed in the implementation of this act. We are glad that some congressional leaders are aware of those abuses and are raising their voices of concern.

As President Reagan is embarking on his fateful trip to the Chinese mainland, he should be reminded of the obligations he has under the TRA and not yield to Chinese Communist demands for him to circumvent those obligations or act in contrary to those obligations. In this connection, a CNA report dated April 11 on the issuance of a briefing book of the U.S. Heritage Foundation's Asian Studies Center for the reference of President Reagan and his advisers is most timely. The book may help prevent the Reagan administration from making further commitments which are in violation of the TRA and detrimental to the vital interests of the Republic of China on Taiwan, which the TRA professes to safeguard and protect.

President Reagan has reassured us more than once that he will not sacrifice an old friend while making a new one. We appreciate his reassurances and his genuine friendship toward us. But we hope he will watch out for the sinister united front maneuvers and deceitful ways of the Peking regime's leaders during their discussions of vital issues of the world, including the issue of Taiwan.

He should resist any discussion on the "sovereignty over Taiwan" or anything which might affect the very existence of the Republic of China. He must always keep in mind that the so-called "Shanghai communique" is not an agreement to agree with but an agreement to disagree with in which both the United States and the Chinese Communists asserted their respective views on many key issues. It should not be accepted as a basis of discussion or future relations.

In making the fateful trip to the Chinese mainland, President Reagan is risking a great deal. We hope he will not succumb to the Chinese Communist demands and betray his old friends for political expediency.

#### EDITORIAL PRAISES REAGAN'S REASSURING STATEMENTS

OW231013 Taipei CHINA POST in English 19 Apr 84 p 4

[Editorial: "President Reagan's Reassuring Statements"]

[Text] President Ronald Reagan's statements reassuring his friendship and support for the Republic of China and its people on Taiwan are most timely. The statements were issued in an interview with the Chinese Communist HSINHUA NEWS AGENCY Monday. President Reagan told HSINHUA that the United States will not turn its back on the Republic of China in exchange for a stronger relationship with Red China. He said that his position is pretty well known to the leaders of Peking and that "we have a long and historic friendship with the Chinese people on Taiwan; we are not going to turn our back on old friends in order to let's say, strengthen or make new friends."

Although the above stand represents what has already been known to the world, his reiteration at this time to the HSINHUA NEWS AGENCY is significant. He wanted to convey his firm stand through the HSINHUA NEWS AGENCY to Chinese Communist leaders so that there would not be any misapprehension on this point. President Reagan also stressed in his interview that he would not intervene on the "issue of Taiwan." He said that "we will do nothing to press one side or the other. The only thing is, as I have stated many times, we believe that the solution must be peaceful, in settling whatever differences there may be and we look forward to and hope there will be a peaceful settlement of that issue."

As President Reagan has been receiving intensive briefings on his trip to the Chinese mainland April 26-May 1, we hope that he will avoid any discussion on the "sovereignty" over Taiwan which the Chinese Communists will certainly bring up. Peking hopes to seize Taiwan by diplomatic means through U.S. admission that Taiwan is a part of China. That assertion appeared in the Shanghai Communique and has been repeated thereafter in all Chinese Communist demands. Since President Reagan has already told the HSINHUA NEWS AGENCY that he would not intervene on the "issue of Taiwan," he should not make any commitment one way or another on this issue.

As to the future sales of U.S. arms to the Republic of China, President Reagan should reject any more Chinese Communist demand for their reduction by adhering to the Taiwan Relations Act [TRA]. He should not make any mistake of consenting to any conditional reduction in the August 17 joint communique which violates the TRA.

In embarking on his fateful trip to the Chinese mainland to satisfy President Reagan's curiosity, he is exposing himself to all kinds of inherent dangers of being blackmailed to sign some documents against his better judgement. The Chinese Communists have already purposely failed to agree with the United States in the nuclear and investment agreements so that President Reagan would give them more concessions. A team of nuclear experts have already arrived at Peking to conduct further negotiations. The chance of an agreement is not too bright.

The Chinese Communists will also press the U.S. president to sign a joint communique similar to the Shanghai communique outlining the present state of Washington-Peking relations at the expense of the Republic of China. President Reagan would be well advised not to fall into another Chinese Communist trap.

Senator Barry Goldwater's suggestion for President Reagan to visit Taipei should be seriously considered by President Reagan, who could easily make a stop on his way back to the United States. Even though there are no official relations between the United States and the Republic of China, it still could be undertaken, as former President Richard Nixon visited the Chinese mainland in the absence of diplomatic relations. By doing so, President Reagan could reassure the people of the Asian and Pacific region by deeds that he truly supports the people of the Republic of China as he told the HSINHUA NEWS AGENCY. His visit would lift the morale of not only the 18 million people of the Republic of China on Taiwan but also that of the one billion people on the Chinese mainland in keeping alive their hope of eventual deliverance from Chinese Communist tyranny.

#### TAIWAN MAKES DONATION TO ASIAN DEVELOPMENT BANK

OW240650 Taipei CNA in English 0316 GMT 24 Apr 84

[Text] Taipei, April 24 (CNA) -- Finance Minister Hsu Li-teh said the Republic of China has decided to donate U.S. \$2 million to the Asian Development Bank over four years starting this year to show that this country is an active member and supporter of the bank. Hsu made the remark when answering a query at a Legislative Yuan meetings Monday. He pointed out that the ROC has been a loyal member of the ADB since its establishment in 1966, borrowing and repaying money in good faith all these years.

Adumbrating, Hsu said the Republic of China has borrowed a total of U.S. \$93 million from the bank in 11 projected loans, four of which are still being repaid together with interest. The four loans totaled U.S. \$35.7 million as of the end of last year, he noted, adding that relations between this country and the ADB has always been good. And this friendly relationship is continuing though this country no longer borrows money from the ADB, he reported.

This will help foil the Chinese Communist plot to isolate the Republic of China in the international financial arena, he told the lawmakers. In order to demonstrate that the Republic of China is an active member and supporter of the ADB, he said, this country has decided to donate to the bank U.S. \$2 million which will be given over four years starting this October with U.S. \$500,000 each year.



BEIJING PREPARING WARM WELCOME FOR REAGAN

HK240142 Hong Kong TA KUNG PAO in Chinese 24 Apr 84 pp 1, 2

["Special Dispatch" from special correspondent Chen Pin: "Beijing Prepares Warm Welcome for U.S. President; Deng Xiaoping and Hu Yaobang Will Meet Reagan"]

[Text] Beijing, 23 Apr -- According to this reporter's information obtained from departments concerned, Beijing has completed all preparations for welcoming the first U.S. president to visit China since the two countries established full diplomatic relations in 1979.

Premier Zhao Ziyang was given a warm and dignified reception by President Reagan and the American people everywhere he went during his visit to the United States in January this year. China is a country of etiquette, renowned for its warmth toward guests. President Reagan, coming from afar to develop friendly relations with China, a big country abounding in natural wealth, will certainly receive a dignified welcome and friendly, considerate, and high-standard treatment.

According to the itinerary initially arranged by the Chinese departments concerned, Reagan will visit a rich variety of places during his 6 days of activities which will be of an appropriate scale. Reagan will have plenty of time for a full exchange of views with Chinese leaders on major international issues and bilateral questions, and will also have the chance to visit places of historic interest and scenic beauty, including the famed Great Wall.

President Reagan's special plane is scheduled to arrive in Beijing at 1405 on 26 April. At 1500 the Chinese Government will hold a solemn welcoming ceremony in front of the Great Hall of the People. After that, President Li Xiannian will meet Reagan inside the hall. At 1900, President Li will hold a small welcoming banquet in the guest house at Diaoyutai.

The busiest day of Reagan's visit will be 27 April. At 0930 he will hold the first round of talks with Premier Zhao Ziyang on international issues. At 1330 he will attend a lecture meeting jointly organized by the Academy of Sciences, the Foreign Affairs Association, the International Research Institute, and the United States Research Center of the Academy of Social Sciences. Zhou Peiyuan will preside at the meeting, and Reagan will make an important speech. At 1400 he will hold the second round of talks with Premier Zhao Ziyang on bilateral issues. After that, he will meet General Secretary Hu Yaobang. Premier Zhao Ziyang will give a grand welcoming banquet in the Great Hall of the People at 1900.

On 28 April, apart from visiting the Great Wall and giving a return banquet in the Changcheng Hotel, the most eye-catching item on his itinerary will be his meeting and working lunch with Chairman Deng Xiaoping. It is generally held that the talks between these two leaders will be the high spot and summation of President Reagan's visit.

After 3 days of busy state activities in Beijing, Reagan will leave for the ancient city of Xian on 29 April. There he will see the Qin figures of soldiers and horses, China's most famous archaeological discovery, which he has long yearned to view. He will return to Beijing the same evening.

Reagan will go to Shanghai on 30 April, and from there he will return home on 1 May. In Shanghai, apart from seeing the sights, he will make a speech at the famous Fudan University.

According to informed sources, during his visit to China Reagan will sign a Sino-U.S. cultural agreement and an agreement on avoiding double taxation. If everything goes smoothly, he may sign a draft agreement with China on the peaceful use of atomic energy.

ARTICLE ON PRIME IMPORTANCE OF REAGAN'S VISIT

HK220557 Hong Kong TA KUNG PAO in Chinese 22 Apr 84 p 2

["Political Talk" column by Shih Chun-yu: "Reagan's Visit to China and America's China Craze"]

[Text] U.S. President Reagan has embarked on his visit to China. He is the first president of the United States to pay a visit to China since the establishment of diplomatic relations between China and the United States. In addition, he is also the most conservative president, in terms of political orientation, since the unfreezing of Sino-U.S. relations. However, Reagan's visit to China is based on the common interests of the two countries and is of vital importance to world peace. The 1.2 billion people of China and the United States are paying close attention to it. It is an event of prime importance to the world.

Nobody can deny that through the visits that the leaders of China and the United States have paid to each other, the relations between the two countries have made steady progress. Intellectuals in the United States have held seminars and meetings to enthusiastically discuss the present state of U.S.-China relations and the future of the international situation, which they affect. That is to say, the close attention the people of the United States pay to U.S.-China relations differs greatly in content from the "China craze" during Nixon's visit to China.

The United States pays close attention to China's open-door policy and its actual effects. At present the United States has invested more money than any other country in China and U.S. oil companies have invested more money in the South China Sea oil fields than any other companies. As Reagan said, "China has brought about heartening changes. There, U.S. investment is welcome and they are willing to work with private enterprise. No one can evaluate the changes that take place in this great country and among its people, who constitute 10 percent of the total population of the world."

China has left a new impression on the world by following a down-to-earth line in its policies. In particular, Beijing's foreign policy of acting independently and keeping the initiative in its own hands has made China's international position more decisive than before. It is even more undeniable that a strong and stable China is a crucial pillar in upholding peace in Asia.

More and more people in the United States have become aware of the true value and importance of U.S.-Chinese relations. They expect Reagan's visit to China to facilitate the steady and long-term development of the relations between the two countries.

As Zhao Ziyang said, the United States is the biggest developed country and China is the biggest developing country. They have their own roles in world affairs. The friendship between China and the United States affects the world situation and is of great strategic significance.

The Taiwan issue continues to be an obstacle to Sino-U.S. relations. Whether or not Reagan's visit to China can put an end to the confrontation caused by this issue and thus bring about still more cooperation depends on his on-the-spot observation of China. Nevertheless, Sino-U.S. relations are slowly developing. This is something good. It is a positive change.

Yesterday, on the eve of Reagan's visit to China, AP reported on the opinions of diplomats and observers in Beijing. They maintain that President Reagan's visit to China in the next week will be an indicator of the tremendous progress in the relations between Washington and Beijing. This is precisely the case.

PAPERS ASSESS JI PENGFEI COMMENTS ON HONG KONG

WEN WEI PO Editorial

HK210410 Hong Kong WEN WEI PO in Chinese 21 Apr 84 p 2

[Editorial: "Ji Pengfei's Remarks and Hong Kong's Future"]

[Text] When meeting the visiting delegations of Hong Kong educators and broadcast media figures, Ji Pengfei, state councillor and director of the Hong Kong and Macao Office, clearly predicted that a preliminary agreement on Hong Kong's future would possibly be reached between China and Britain by September.

An agreement on Hong Kong's future to be reached between China and Britain is a demand and desire which the Chinese side has repeatedly made known to the public. And now, this demand and desire have been proved by the progress of the Sino-British talks to be an objective tendency of the developing process and an objective possibility as well.

Great progress was made during the 12th round of the second stage of the Sino-British talks. Reports on Foreign Secretary Geoffrey Howe's visit to China and his meetings with Wu Xueqian, Deng Xiaoping, Zhao Ziyang, and Ji Pengfei indicated that the two sides reached unanimity of views and pushed ahead further the Sino-British talks which had already achieved something. The progress of the talks has been partly due to Britain's intention to cooperate. Another reason, and a more essential one, has been the Chinese Government's full concern for British interests in Hong Kong and for the Hong Kong people's desires. The Chinese concern is reflected in the basic principle adopted by the Chinese Government which has been understood and accepted by various circles.

No one can deny the fact that soon after the Sino-British talks began, Chinese Premier Zhao Ziyang definitely declared that Hong Kong's "social and economic structure would remain unchanged" after its return to China. Based on this statement, China has extensively solicited opinions from among the Hong Kong people, and thus put forth in more concrete terms the basic principles that the social, economic, judicial, and other systems will remain unchanged, and the program of the "Hong Kong people governing Hong Kong," under which the responsibility for safeguarding the existing system and administering Hong Kong is to be entrusted to the people of Hong Kong. Furthermore, the Chinese side announced recently that the above program would be valid for at least 50 years. "Where Hong Kong will go after 50 years will be decided by the government of the Hong Kong special administrative zone in accordance with the will of the Hong Kong people." This principle has provided the Sino-British talks on Hong Kong's future with a basis for negotiations which will enable the two sides to close the gap between them and to reach unanimity of views.

The reason China has adopted such a definite principle is that it thoroughly understands the special position of Hong Kong and recognizes the nature of the Hong Kong issue as a historical issue which must be treated in a way in which history is respected. The international position of Hong Kong as a trade and financial center was created on the basis of the world's major capitalist economic structure and can only be sustained and developed on a capitalist economic and social system. Hong Kong can only play its due role in the mainland's four modernizations so long as its international economic position is safeguarded. This recognition of the situation is the very basis of China's policy on the Hong Kong issue.

If one recognizes that Britain is willing to see that the established life style of Hong Kong is retained, one should also admit that China has long been considering this question and has put forth the policy concerned which is well-known to Hong Kong, in short: "To recover sovereignty over Hong Kong, to let the Hong Kong people govern Hong Kong, to retain the existing system, and to maintain prosperity."

This policy is a condensation of the public opinion of Hong Kong. As a central policy derived from Hong Kong public opinion, this policy profoundly reveals the fact that there has been a direct and close communication between the central decisionmakers and Hong Kong public opinion. In these days, representatives of various circles from Hong Kong are visiting Beijing to express their opinions and make their proposals on maintaining Hong Kong's prosperity and stability.

The friendly relations between China and Britain, the communication between the Chinese authorities and the Hong Kong people, and the formulation of the basic law are all developments which show that Hong Kong will have a bright future.

#### HSIN WAN PAO Article

HK220808 Hong Kong HSIN WAN PAO in Chinese 22 Apr 84 p 1

[Untitled dispatch from Beijing]

[Excerpt] It was learned from the visiting group of Hong Kong social activists composed of some Urban Council and district board members after their meeting with Ji Pengfei yesterday that the Sino-British talks have now started to discuss arrangements for the transitional period. Previously they only dealt with post-1997 matters and did not mention pre-1997 affairs. Now they have started to do so.

Interviewed by reporters yesterday evening, some of the members said that Ji Pengfei stated that NPC session in May would not discuss the Hong Kong issue, because the Chinese and British sides have not yet reached agreement and the basic law has not been drawn up.

During their meeting with Ji Pengfei, some of the members asked him about his views on British Foreign Secretary Howe's remarks at his Hong Kong press conference. Ji Pengfei said that Howe's remarks did not go beyond the bounds of the Sino-British talks. We have no particular issues to raise.

The members said that they took particular note of three contents of Ji Pengfei's remarks: 1) The Chinese side's view on democratic devolution; 2) the policy on KMT personnel and on the citizen rights of foreigners; 3) the basic law will include a clause on whether or not workers have the right to strike.

On the democratization issue, Ji Pengfei said to the visiting group that the Hong Kong Government should be responsible for democracy during the transition period. It is of course good if the British Government wishes Hong Kong to have more democracy, but the people of Hong Kong should observe the reactions of the Hong Kong Government to their demands for democracy.

Ji Pengfei further stated that in the future (meaning after 1997), in the first election of government organs, the form of consultation would be applied; in the second and third such elections, the method of democratic election could be used. Ji Pengfei explained that this kind of election supposes that Hong Kong does not have a great deal of democracy during the transition period before 1997 and is not familiar with democratic elections. Otherwise, if Hong Kong is familiar with electoral democracy, the first election of government organs can also be carried out in a democratic way.



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HONG KONG MEDIA ON CHINA

Ji Pengfei said that the people of Hong Kong have freedom without democracy. They are therefore justified in demanding democracy.

With regard to citizen rights, Ji Pengfei said if foreigners are willing to remain in Hong Kong after 1997 and abide by local laws, they can enjoy citizen rights. The definition of a citizen is a person who has resided in Hong Kong for 7 years. This includes foreigners. They have the right to vote and to be elected to office, and in certain exceptional circumstances, they will be allowed to retain dual nationality.

After the reception, the participants talked for 1 hour and 30 minutes. Ji Pengfei gave a banquet for them in the evening.

XINHUA'S XU JIATUN ON HONG KONG, PRC POLICIES

HK220312 Hong Kong SOUTH CHINA MORNING POST in English 22 Apr 84 p 10

[Article by Terry Cheng: "Peking Fills in the Masses on Post-1997 Plans"]

[Excerpt] China has begun to publicize its plans for Hong Kong all around the country to ensure they are accepted in 1997, according to the director of the local branch of the NEW CHINA NEWS AGENCY, Mr Xu Jiatun. That is one of the revelations he made in a discussion with representatives of the Chinese University Students' Union in which he also stressed Peking's desire to stamp out colonialism. The union published last Saturday's discussion over the weekend.

Mr Xu was asked if officials in China held the same views on Hong Kong as he did. "China has just begun to publicise in the country the policies regarding the question of Hong Kong," he answered. "The wider the publicity and the deeper the study, the greater will be the safeguard for the implementation of the policies."

Mr Xu did not rule out the possibility of a referendum on the draft of the basic laws before approval by the National People's Congress. "The proposal (of the referendum) could be made. Which method is the best one (for gauging public opinion) could be discussed," he said. And Mr Xu disclosed that the NPC might set up a drafting committee for Hong Kong's basic laws comprising Hong Kong representatives. They could be elected or appointed to the committee through consultation. There is also the possibility that the representatives might be employed.

Turning to the students' request that the basic laws include the clauses in the United Nations' Declaration on Human Rights, Mr Xu said an "outside guarantee" was not most important. "It is most essential that the people practise democracy and the government practises democracy," he said. The NCNA director said the form of democracy to be adopted in Hong Kong had yet to be tried and tested. But he did say it could not be all capitalism. "It is also impossible to adopt all the practices of socialism." He said the purpose of a democratic, open autonomy for the future Hong Kong special administrative region was to ensure prosperity and stability.

There were many problems regarding Hong Kong's future, he said, but the key was a guarantee for the implementation of policies. "Many worry that in future the practices adopted on the mainland will be implemented here. They want a guarantee -- even an international one -- and this is understandable." He said China's policies towards Hong Kong were based on the territory's realities. "We are also for the preservation of the status quo. But the difference between us and some people is that we want an end to colonialism."

He said the Chinese Communist Party had made improvements in the past few years. The party was pursuing a policy of letting people become rich, Mr Xu added. He pointed out that people were discussing whether the policies for Hong Kong would change or not, but had not questioned whether or not they were good. The policies were arrived at after fully considering the opinions of compatriots and all parties in Hong Kong, he said. And he pointed out that many scholars thought that, with these policies, Hong Kong would provide new experiences and a new model for the world to turn to.

He promised that China would not interfere from now until 1997. "In these 13 years, the British are held responsible in name and in substance. It is not necessarily beneficial if we meddle." He spelt out the role of the Chinese representatives here during the next 13 years. "What we will do is support whatever is beneficial to Hong Kong's stability and prosperity and give our suggestions or criticism on whatever is harmful to that stability and prosperity."

When asked how to distinguish between what Peking thought beneficial and harmful, Mr Xu said: "In the 13 years in which Hong Kong is still under the rule of the British, whether the measures are beneficial or not we have to examine them in the light of the real effects. But after that, it will be your generation (that of present university students) to assume the power."

"If you do something wrong, people will raise criticism; if you do something right, Hong Kong people will give their support. If it is really bad, others will overthrow you."

Mr Xu dismissed as a "joke" the suggestion that China opposed the implementation of democracy in Hong Kong. "How can we hinder it?" he asked. He promised that he would clarify China's position on democratisation in future if he gets the chance.

#### WEN WEI PO REVIEWS HOWE VISIT, SINO-UK TALKS

HK200956 Hong Kong WEN WEI PO in Chinese 20 Apr 84 pp 1, 2

["Special Feature" by Beijing correspondent Cheng Hsiang: "Howe's Visit to China and Progress in the Sino-British Talks -- Viewing the Successes Achieved From Four Aspects"]

[Text] 19 April -- The second phase of the Sino-British talks on the Hong Kong issue has been going on for 12 rounds. Outsiders can only know after each round that they are "useful" and "constructive." What is the present situation in the talks? The outside world knows nothing about it. Through Howe's present visit, people more or less have a relatively definite understanding of the achievements gained in the past 12 rounds.

The present visit of Howe shows that considerable progress has been made in the past 12 rounds. When he arrived in Beijing, he explicitly indicated: "The negotiating representatives of both sides have achieved great progress." A few minutes before the start of the talks on the first day, Wu Xueqian also indicated to Hong Kong reporters that he expected that the talks were going well because "we have laid a very good foundation." When meeting with Howe, Zhao Ziyang also bluntly confirmed this point by saying: "Since the Sino-British talks on the Hong Kong issue entered the second phase last July, both sides have had 12 rounds of talks and have achieved great progress." These remarks had not been heard in previous talks.

#### The Question of Sovereignty and Administrative Rights

Why is it possible for the Sino-British talks to achieve great progress? The fundamental reason seems to be that Britain is no longer making an issue of the question of sovereignty and administrative rights. Outsiders can only guess at the time spent on the sovereignty issue in the second phase of talks.

On this occasion, the Chinese foreign minister has supplied some clues to the issue. At a press conference at the airport in the early morning of 14 April, he indicated: "The question of Hong Kong's sovereignty brooks no discussion. And this question was not discussed later. So the talks on the Hong Kong issue have proceeded on the basis of the Chinese policy for the past few rounds." This shows that the most important reason for progress in the talks is that Britain no longer makes an issue of the sovereignty question. Since the start of the second phase of the talks, we can see from newspapers of both sides that the British side has been constantly readjusting its position. First, it put forward the theory of the validity of treaties. When this did not work, it proposed exchanging sovereignty for administration rights. When this did not work, it again proposed the maintenance of Hong Kong's official relationship with Britain after 1997. When this did not work either, this March it began to propose the necessity of maintaining the continuity of the present Hong Kong system and the importance of self-government by the Hong Kong people. It was at this point that the positions of both sides were relatively identical. We can say, therefore, that this is a process in which the British side has gradually readjusted its position in an effort to make it relatively similar to the Chinese position.

#### The Question of Stability and Prosperity

Another reason for the progress of the Sino-British talks is that Britain has pledged to turn over to China a prosperous and stable Hong Kong. According to a public figure who is close to Howe, when meeting Ji Pengfei, Howe pledged to the Chinese side to turn over to China a prosperous and stable Hong Kong. This public figure said: "Hong Kong is a very special place, which is different from the other British colonies. When we leave, we should not leave behind a mess, but should turn over a prosperous Hong Kong. Therefore, we have been very serious in the talks." If this remark is true, this would be an important message Howe brought in this visit. Maintaining the prosperity and stability of Hong Kong after all is an objective which both sides have defined since Mrs Thatcher's visit to China.

#### Howe's Visit to China and the Progress of Sino-British Talks

However, since the iron lady's visit to China, for various reasons the economy of Hong Kong has experienced quite a lot of fluctuations, with the result that a discordant situation of both sides censuring each other emerged for a certain period of time. Due to its historical experiences, China had reasons to suspect that Britain was playing the economic card. Luckily, the British side immediately urged the Hong Kong authorities to adopt decisive measures to stabilize the Hong Kong dollar and then announce the resumption of some municipal construction projects. These issues were certainly discussed in the ensuing rounds of talks. The British side has taken some practical actions to safeguard the prosperity of Hong Kong so that some progress can be achieved at the talks. The fact that Howe has now personally gone to Beijing to make his pledge shows that both sides have achieved some understanding on this issue at a previous stage.

#### China's Policies and Plans

Another important reason for progress in the talks is probably that Britain considers China's tentative plan for Hong Kong after 1997 acceptable to the British Parliament, and also accountable to the Hong Kong residents. The outside world is unable to know definitely the questions which have been discussed in the second phase of talks, but they are expected to deal with China's plan for Hong Kong after 1997.

The main content of the Chinese plan for Hong Kong has been revealed through a large number of delegations visiting Beijing. It is believed that the British Government has definitely asked the particulars of the plan in the talks and considered the plan basically workable or, in other words, is sure that it would be approved by the British Parliament. Therefore, it indicated its "acceptance with reservations." Just as Mrs Williams, the leader of the British Liberal Democratic Party, indicated when she came to Beijing last month (at that time Zhou Nan explained to her China's plan in detail), "under the conditions of no other way out, the proposed plan of China is the best one." (Note: This is what they called "acceptance with reservations.") On this count, it is worth pondering the remarks of the two foreign ministers. When he arrived in Beijing, Howe indicated that the purpose of his trip was to "determine how to promote the talks further." In the news published after the first day of talks, the Chinese side also pointed out: "Both sides have studied the work that should be done to reach an agreement." If, with the exception of some relatively minor issues, the Chinese plan has not been basically acceptable, both sides would certainly not have made such remarks.

#### The Question of the "September Deadline"

The reason for the progress of the Sino-British talks is also because the British side began to note that China is very serious in setting a "September deadline" and to express its willingness to respect this. This is also a recent change. On the day Foreign Secretary Howe arrived in Beijing, a person close to him told reporters: "Britain should assume that China is very serious in setting a September deadline, although, as far as Britain is concerned, there is no such a thing as a deadline. However, we should take China's plan and remarks into consideration at all times." On another similar occasion, he again said: "Although we have not worked out a general timetable for the talks, the sooner the talks finish the better." When holding talks with Zhao Ziyang, Howe also expressed a wish to reach as soon as possible an agreement on the Hong Kong issue satisfactory to both sides. On the question of a negotiations deadline, the British side has always stressed that a good agreement is more important than an early agreement, but its public attitude has at least become somewhat flexible recently. And this can be discerned from the above-mentioned remarks of the foreign secretary himself and other people.

Judging from these four aspects, we can see that progress has been made in the second phase of the talks. There is no harm in inferring that the present visit of Howe is not chiefly aimed at holding specific talks, but rather defining with Wu Xueqian the tacit agreements reached during the 12 rounds of talks. We can note this from the news issued by the Chinese side after the meeting between Deng Xiaoping and Howe, which said that Deng and Howe had extensively exchanged views on major issues relating to the future of Hong Kong and "had reached a unanimous view." In the meantime, China has also taken advantage of his trip to give him the supreme pledge of the Chinese Government through Ji Pengfei, Zhao Ziyang, and even Deng Xiaoping.



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